

"Growing together with trust"

ANNUAL Report 2015



Trust Bank
A Bank for Financial Inclusion

ট্রাস্ট ব্যাংক

সবসময়, সবখানে, সবার জন্য

Rational of the Cover

We adorn the future achieving people's trust and satisfaction on us that reinforces our financial growth and maturity.

Letter of Transmittal

All shareholders of Trust Bank Limited
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Registrar of Joint Stock Companies & Firms

Annual Report for the year ended 31 December 2015

Dear Sir,

We are pleased to present before you a copy of the Annual Report along with Audited Financial Statements including consolidated and separate balance sheet as on 31 December 2015, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement for the year ended 31 December 2015 with the notes thereto of Trust Bank Limited (TBL) and its subsidiaries - Trust Bank Investment Limited (TBIL), Trust Bank Securities Limited (TBSL). We have also enclosed separate Financial Statements of subsidiary companies- Trust Bank Investment Limited (TBIL), Trust Bank Securities Limited (TBSL).

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Khaled Mahbub Morshed', with a horizontal line drawn through it.

Khaled Mahbub Morshed, FCA
Company Secretary

Table of Contents

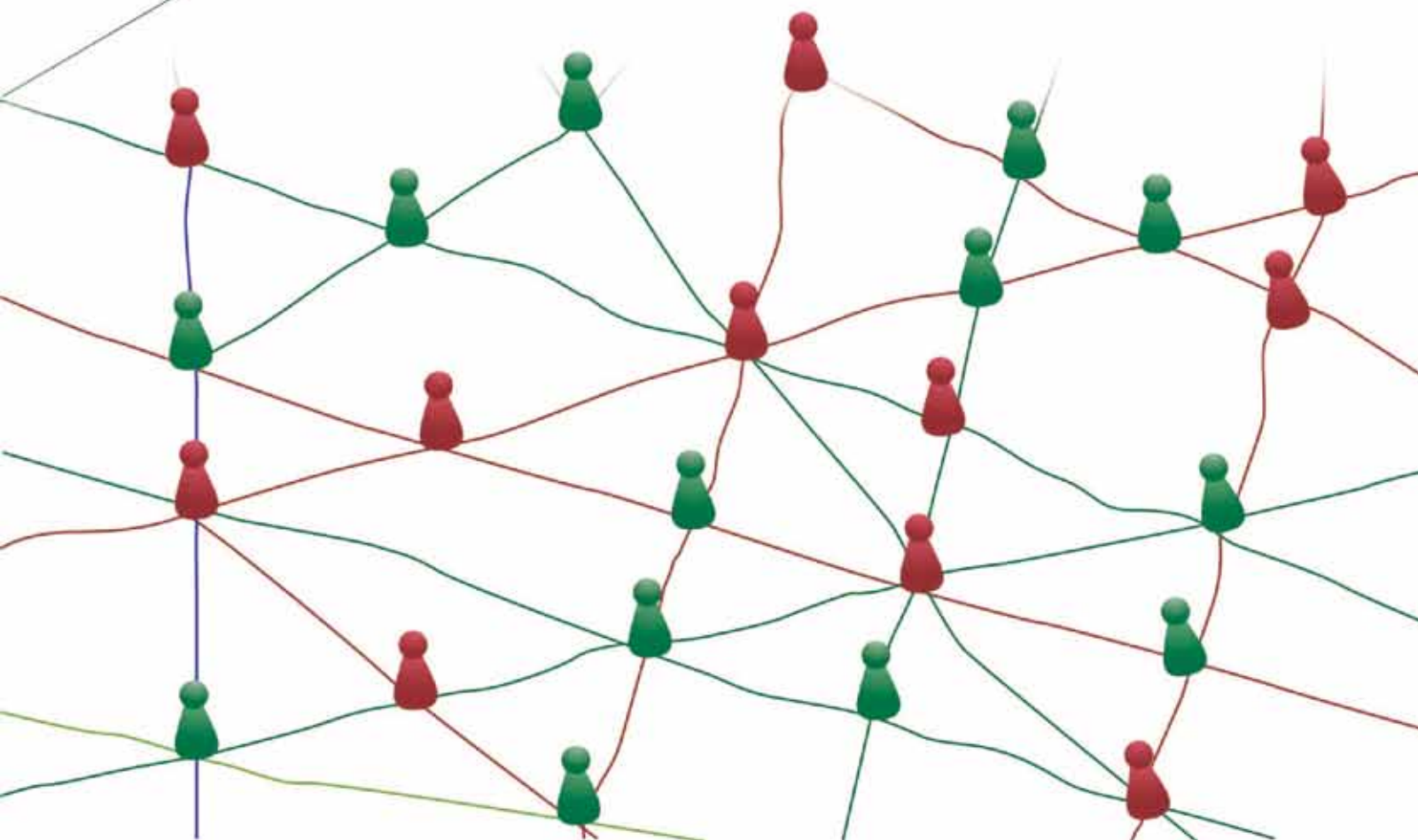




Table of Contents



1	Letter of Transmittal	01
2	Vision	04
3	Mission	05
4	Values	06
5	Disclaimer on Forward Looking Statements	07
6	Key Milestones	08
7	Corporate Information	10
8	Performance at a Glance	11
9	Investors Information	13
10	Board of Directors	14
11	Committee Members & Senior Executives	26
12	Chairman's Message	28
13	Message from the Managing Director & CEO	34
14	Financial Calendar	50
15	Corporate Governance	51
16	Compliance Certificate	62
17	Economic Value Addition Report	64
18	Five Years' Financial Summary	69
19	Directors' Report	70
20	Risk Management Report	128
21	Disclosures on Risk-Based Capital (Basel III)	142
22	Green Banking	164
23	Report of the Audit Committee	169
24	Message from the Chairman of the Shariah Supervisory Committee	172
25	Report of the Shariah Supervisory Committee	173
26	Positive Indicators in 2015	174
27	Auditor's Report & TBL Financial Statements	175
28	Auditor's Report & TBIL Financial Statements	270
29	Auditor's Report & TBSL Financial Statements	298
30	Photo Gallery	315
31	Branch Network	321
32	Notice of the 17 th Annual General Meeting	325
33	Proxy Form & Attendance Slip	327



Vision

Build a long term sustainable financial institution through financial inclusion and deliver optimum value to all stakeholders with the highest level of compliance.





Mission

- ❖ Long Term Sustainable Growth- diversified business with robust risk management.
- ❖ Financial Inclusion- bring unbanked population into banking network through low cost and technology based service delivery.
- ❖ Accountable to all stakeholders- customers, shareholders, employees & regulators.
- ❖ Highest level of compliance and transparency at all levels of operation.



Values

- Fair
- Dependable
- Reliable
- Professional
- Dynamic
- Trustworthy

This is how we grow.



Disclaimer on Forward Looking Statements

This report contains forward-looking statements reflecting management's plans, estimates and beliefs. Actual results could differ materially from those described in these forward-looking statements. Examples of such forward-looking statements include:

Statements of the Company's plans, intentions, positioning, expectations, objectives or goals, including those relating to asset flows, affluent client acquisition strategy, client retention and growth of our client base, financial advisor productivity, retention, recruiting and enrollments, acquisition, integration, general and administrative costs; consolidated tax rate, return of capital to shareholders, and excess capital position and financial flexibility to capture additional growth opportunities.

The Bank is not responsible for the forward-looking statements which included but not limited to the following information:

- ▶ assessment of the Bank's future operating and financial results as well as forecasts of the present value of future cash flows and related factors;
- ▶ economic outlook and industry trends;
- ▶ the Bank's anticipated capital expenditures and plans relating to expansion of the Bank's network and development of the new services;
- ▶ the Bank's expectations as to its position on the financial market and plans on development of the market segments within which the Bank operates;

Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from those expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include:

- ▶ risks related to changes in political, economic and social conditions in local as well as changes in global economic conditions;
- ▶ risks related to legislation, regulation and taxation;
- ▶ risks related to the Bank's activities, including the achievement of the anticipated results, levels of profitability and growth, ability to create and meet demand for the Bank's services including their promotion and the ability of the Bank to remain competitive.

Many of these factors are beyond the Bank's ability to control and predict. Given these and other uncertainties the Bank cautions not to place undue reliance on any of the forward-looking statements contained herein or otherwise.





Key Milestones





Date	Particulars/Events
17 June 1999	Registration number, C-37960(2260)/99
17 June 1999	Date of Incorporation
17 June 1999	Certificate of Commencement of Business Received
15 July 1999	Banking License Received
09 August 1999	First Branch License Received
29 November 1999	Formal Inauguration
January 2007	Online Banking Operations across all the Branches
17 May 2007	Publication of Prospectus for IPO
15 July 2007	Subscription Opening for IPO
19 July 2007	Subscription Closing for IPO
24 September 2007	Listed with Chittagong Stock Exchange Ltd.
25 September 2007	Listed with Dhaka Stock Exchange Ltd.
01 October 2007	Commencement of Trading of Shares at DSE & CSE
31 May 2009	Authorized Share Capital Increased to BDT 500 Crore
27 January 2010	TBL Mutual Fund Trading Started
31 August 2010	Launching of Trust Bank Mobile Money
09 September 2010	Formation of Trust Bank Investment Limited
14 November 2010	Commencement of Merchant Banking Operations
06 June 2012	Authorized Share Capital Increased to BDT 1,000 Crore
28 November 2012	Allotment of 1 share (membership) of DSE to Trust Bank Securities Limited (TBSL)
26 September 2013	Inception of Business Operation of Trust Bank Securities Limited (TBSL)
01 November 2014	Launching of Call Centre
08 December 2014	Commencement of iBanking Service
30 August 2015	Inauguration of 100 th Branch at Mohammadpur, Dhaka



Corporate Information

Registered Name of the Company

Trust Bank Limited

Legal Form

The Company was incorporated on 17 June 1999 under the Companies Act 1994 as a Public Limited Company for carrying out all kinds of banking activities.

Registration Number & Date: C-37960 (2260)/99, 17 June 1999

Sponsor Shareholder: Army Welfare Trust

Corporate Web Site: www.trustbank.com.bd

Email: info@trustbanklimited.com

Company Secretary

Mr. Khaled Mahbub Morshed, FCA

Chief Financial Officer

Mr. Khaled Mahbub Morshed, FCA

Head of Internal Control & Compliance

Mr. Md. Zillur Rahim Chowdhury, SEVP

Auditors

M/s. Syful Shamsul Alam & Co

Chartered Accountants

Paramount Heights (6th Floor)

65/2/1, Box Culvert Road

Purana Paltan, Dhaka-1000

Corporate Governance Certificate Issuer

Hoque Bhattacharjee Das & Co.

Chartered Accountants

Suit# 502, Paltan Tower (5th Floor)

87 Purana Paltan Lane,

Purana Paltan, Dhaka-1000

Tax Consultant

M/s. ADN Associates

Ali's Center (8th floor), 40 Bijoy Nagar, Dhaka-1000

Legal Counsel

Dr. Monjur Kader

Advocate, Supreme Court of Bangladesh, Dhaka-1000

Rating Agency

Credit Rating Agency of Bangladesh Ltd.

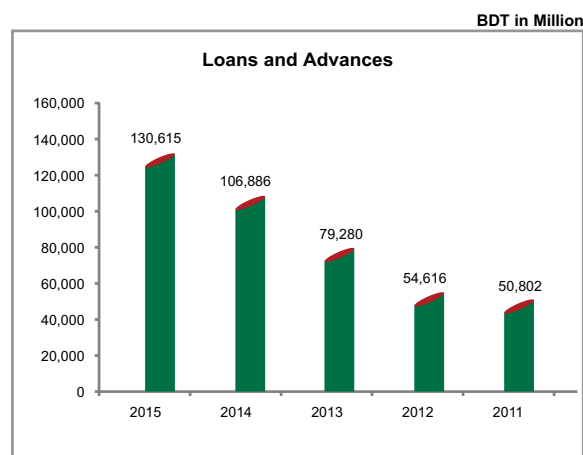
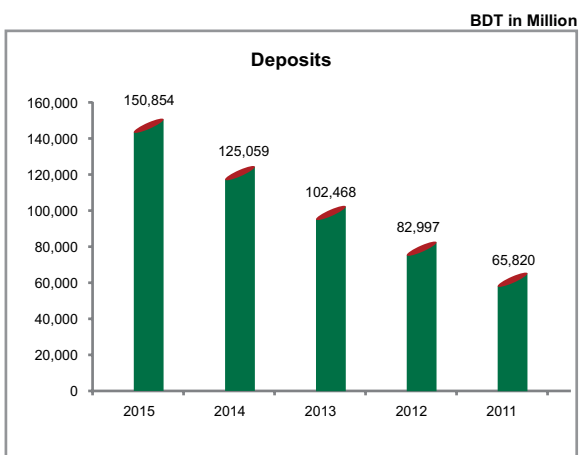
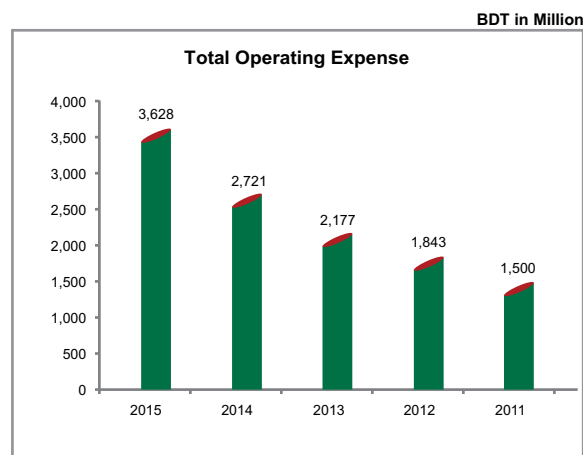
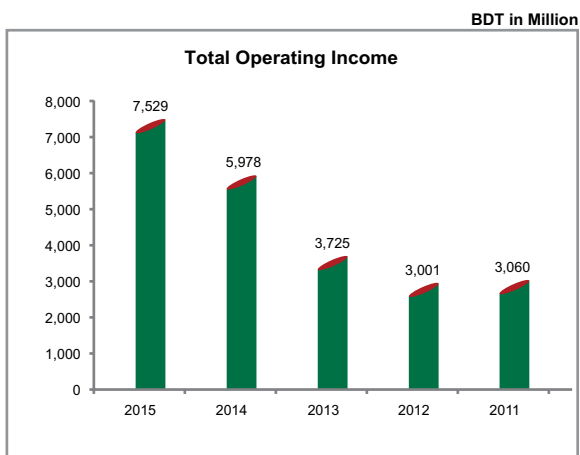
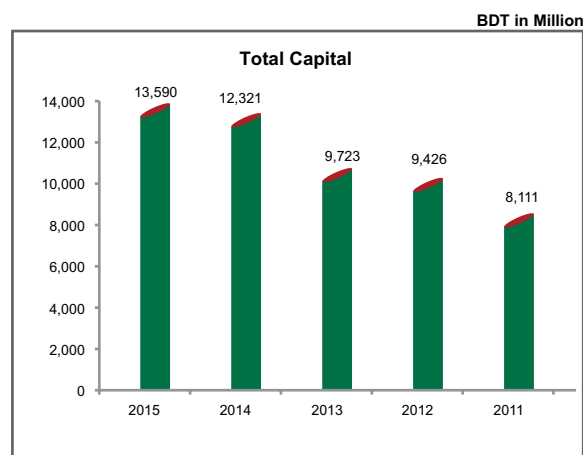
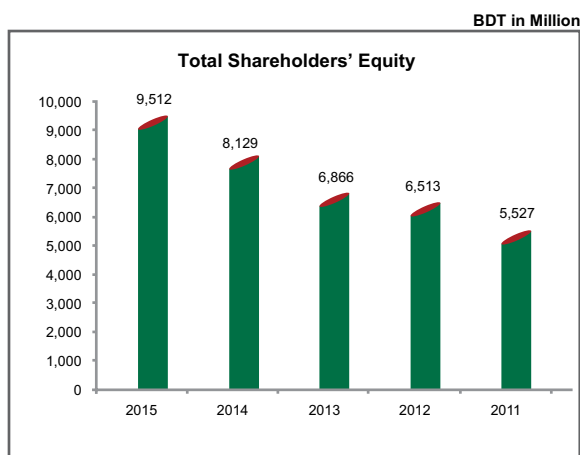
Sena Kalyan Bhaban, 195 Motijheel C/A, Dhaka-1000

Registered Office & Head Office

Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206

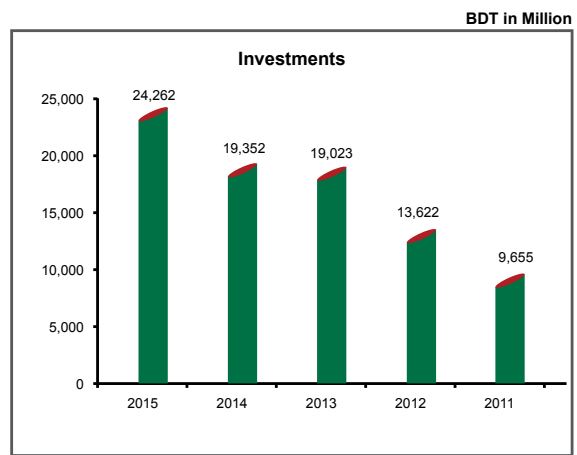
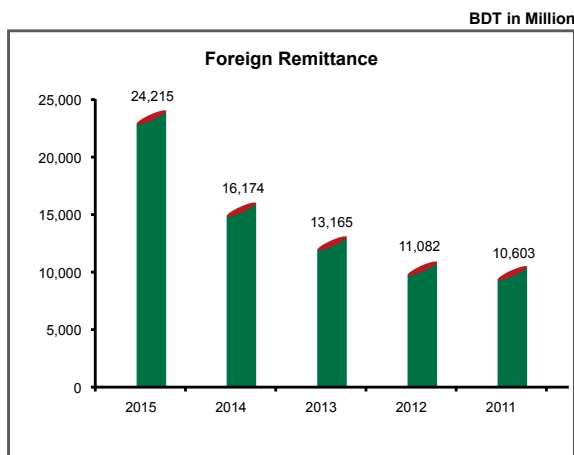
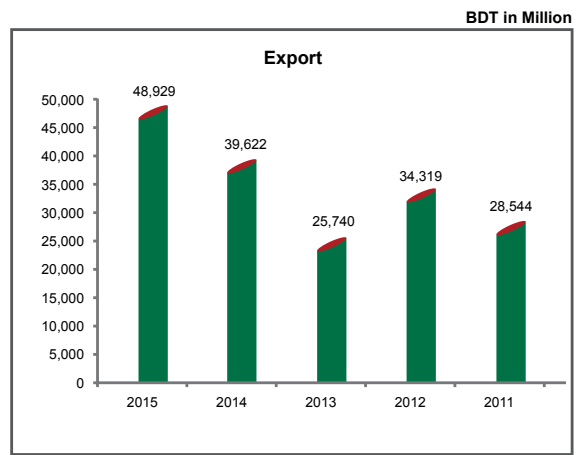
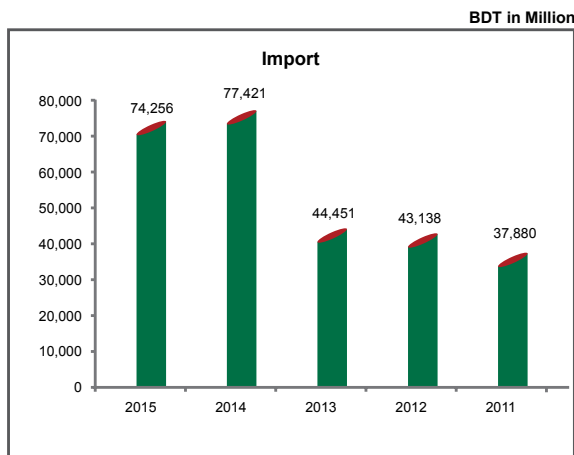
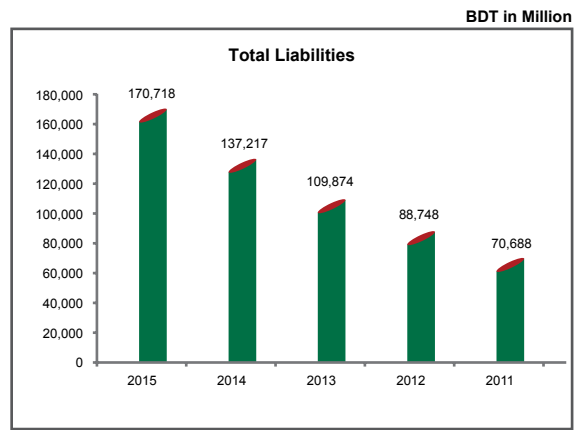
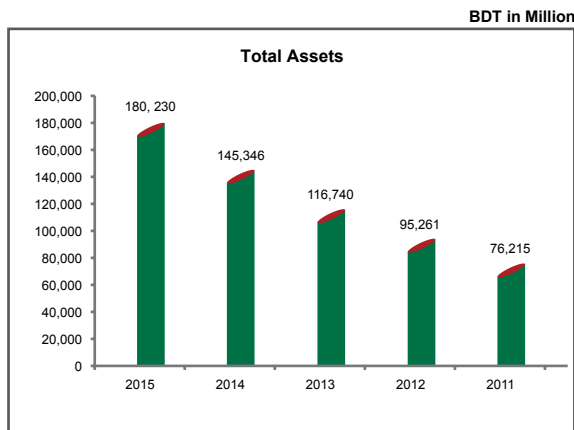


Performance at a Glance (Solo Basis)





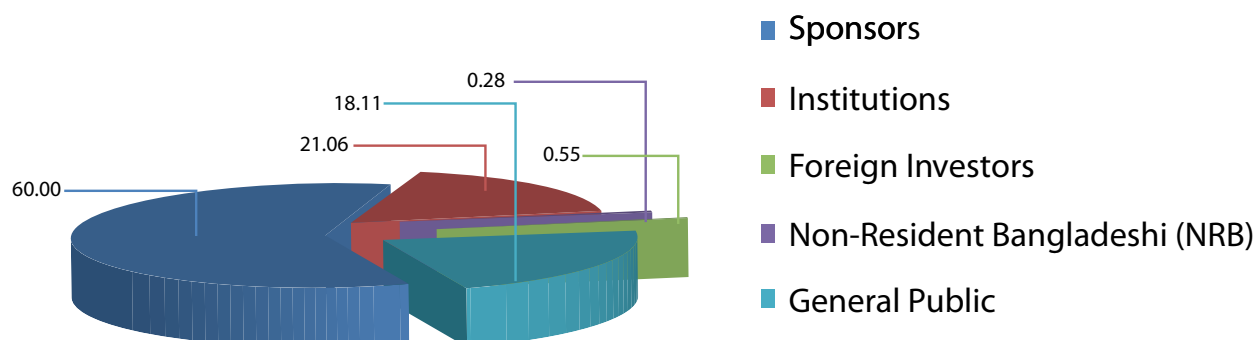
Performance at a Glance (Solo Basis)



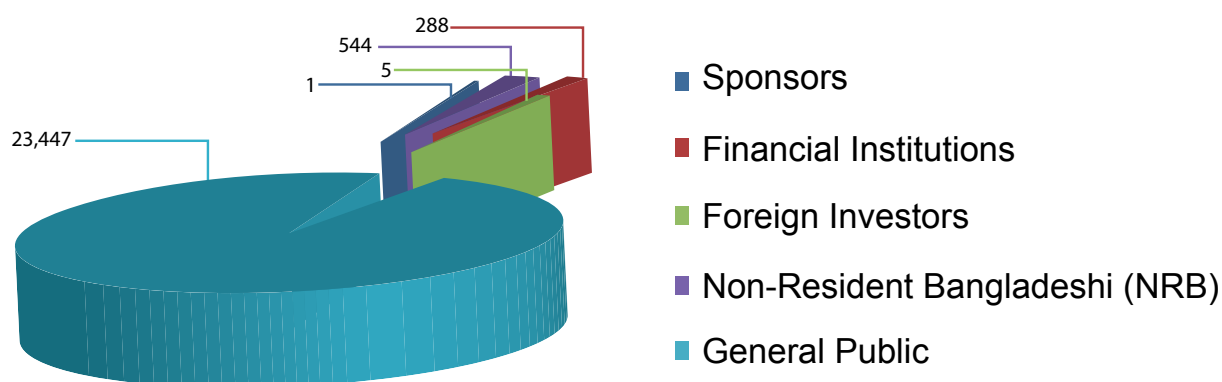


Investors Information

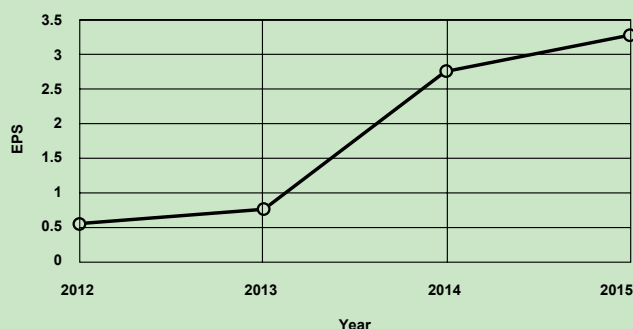
Shareholding (%)



No. of Shareholders



Earning Per Share



The rates of Dividend declared by the Bank since 2010 are shown below:

Year	Cash Dividend (%)	Stock Dividend (%)	Total Percentage (%)
2014	5%	10%	15%
2013	-	12%	12%
2012	-	10%	10%
2011	10%	10%	20%
2010	-	20%	20%





Chairman

General Abu Belal Muhammad Shafiul Huq, ndc, psc

Vice Chairman

Major General S M Matiur Rahman, afwc, psc

Directors

Brigadier General Md Mehdi Hassan, SGP, ndc, afwc, psc

Mr. Ashrafuzzaman Khan

Mr. Shahedul Islam

Mr. M A Haider Hussain (not present in the photograph)

Brigadier General Md Jalal Ghani Khan, ndc, psc

Brigadier General Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc

Brigadier General Mohammad Omar Zahid, psc

Brigadier General Md Mohsin, ndc, psc

Managing Director & CEO

Mr. Ishtiaque Ahmed Chowdhury



Biography of the Board of Directors



General Abu Belal Muhammad Shafiul Huq, ndc, psc.
Chief of Army Staff, Bangladesh Army
Chairman

General Abu Belal Muhammad Shafiul Huq, ndc, psc was born on 01 December 1958 in Brahmanbaria, Bangladesh. The General joined Bangladesh Military Academy on 22 July 1977 and was commissioned on 18 June 1978 in the Corps of Armoured. He has taken over the Command of Bangladesh Army as Chief of Army on 25 June 2015.

General Belal for his outstanding performance in the Military Academy, was adjudged as the best all round cadet of his batch and was awarded with “Sword of Honour”. General Belal obtained his Bachelor of Arts Degree from Dhaka University, Master degree on “Defence Studies” from National University of Bangladesh and Masters in Philosophy from Bangladesh University of Professionals. Presently he is doing PhD on Regional Connectivity under the same university.

General Belal has attended several professional courses both at home and abroad. His foreign courses include Armoured Officers Basic Course in China, Armoured Officers Advance Course and Airborne Course in USA. He is a graduate of Defence Services Command and Staff College, Mirpur and Command and General Staff College, USA. He attended National Defense Course and Capstone Course at NDC, Bangladesh.

General Belal has a fine mix of all three types of appointment available in the Army i.e. Staff, Instructor and Command. He commanded Two Armoured Battalion, Two Infantry Brigade, an Armoured Brigade and Two Infantry Division. As a staff he served as the ADC to the Hon’ble President of Bangladesh, Brigade Major of an Infantry Brigade and Colonel Staff of an Infantry Division.

He also served as Military Secretary, Adjutant General of Bangladesh Army and served as Principal Staff Officer, Armed Forces Division. As an Instructor he served in Bangladesh Military Academy and as a Faculty including Chief Instructor in Defence Services Command and Staff College, Mirpur. Besides, the General was commandant of Defence Services Command and Staff College, Bangladesh Military Academy, Armoured Corps Centre & School and had a tour of duty as Director General of Bangladesh Institute of International and Strategic Studies (BISS).

General Belal was a member of the pioneer Group of Officers sent to UN Peace Keeping Mission from Bangladesh. He was an observer in UNIIMOG in Iraq and Deputy Force Commander of UNMEE in Ethiopia and Eritrea.

He is a widely travelled person and a keen golfer. He is happily married to Shoma Huq and the couple is blessed with a daughter and a son.

Besides, abreast his present responsibility he is representing different concerns of Army Welfare Trust (AWT) as Chairman. General Belal was appointed Director of Trust Bank Limited on 25 June 2015.



Major General S M Matiur Rahman, afwc, psc

Adjutant General, Bangladesh Army

Vice Chairman

Major General S M Matiur Rahman, afwc, psc joined the Army Headquarters on 09 February 2016. He held the appointment of General Officer Commanding 55 Infantry Division & Area Commander Jessore Area for about two and half years before his present posting as Adjutant General of Bangladesh Army.

The General was commissioned in the Corps of Infantry in December 1985. As a pioneer member of special force and a well-known paratrooper of Bangladesh Army he attended a good number of professional training courses at home and abroad. General Matiur in his early career attended Air Borne Course at Fort Benning, Georgia in USA. He was one of the pioneer officers of Bangladesh Army to complete Jump Master Course and Free Fall Course from the School of Infantry and Tactics. He also attended and successfully completed Jungle Operation Course from Malaysia.

General Matiur graduated from Defence Services Command and Staff College and also from National Defence College. At the same time, he completed his Masters in Defence Studies (MDS) and Masters in War Studies (MWS) in 2000 and 2007 respectively from National University of Bangladesh. In his illustrious service career the General adorned various command and staff appointments at Battalion, Brigade and Division level. Besides, he served as an instructor in Bangladesh Military Academy and in the School of Infantry and Tactics for many years and thus contributed significantly in making and grooming the future leaders of Bangladesh Army.

General Matiur participated in United Nations Peace Keeping Mission in former Yugoslavia as a Military Observer in 1995-1996 when he was a Major. As Lieutenant Colonel, he commanded an Infantry Battalion and also the only Para Commando Battalion of Bangladesh Army. He then successfully led a Bangladeshi Military Contingent in Ivory Coast as part of United Nations Peace Keeping Operation there in 2008-2009.

Being a Colonel he held the appointment of Additional Director General (Operations) of RAB Forces. Thereafter, as Brigadier General he commanded the most prestigious Infantry Brigade of Bangladesh Army - 46 Independent Infantry Brigade located at Dhaka. He then joined the Directorate General of Forces Intelligence (DGFI) as Director Counter Terrorism Intelligence Bureau (CTIB) to complete his diverse exposure.

Presently as Adjutant General of Bangladesh Army, he is the Chairman of Army Housing Scheme, Governing Body of Cadet Colleges, Trust Transport Services and Trust Technical Training Institute. Besides, he is also the Chairman of Management Committee of Sena Kalyan Sangstha and the Vice Chairman of Army Welfare Trust and Sena Hotel Developments Limited.

General Matiur is happily married to Syeda Towhida Aziz and is a proud father of two children namely Minar (19) and Roza (12).



Brigadier General Md Mehdi Hassan, SGP, ndc, afwc, psc
Director

Brigadier General Md Mehdi Hassan, SGP, ndc, afwc, psc was commissioned in the East Bengal Regiment of Bangladesh Army in December 1983. During his long 32 years of service the officer attended number of professional courses both at home and abroad including Counter Disaster Staff Training Course, UK. The officer is a graduate of Defence Services Command and Staff College, Mirpur and also an alumnus of the Armed Forces War Course and National Defence Course of National Defence College, Bangladesh. He obtained Master of Defence Studies (MDS), Master of War Studies (MWS) and Master of Business Administration (MBA) degrees. The officer completed M. Phil (Part I) on 'Security and Strategic Studies' and undergoing Part II of the same programme.

Brigadier General Mehdi commanded two infantry battalions and an Infantry Brigade. On four different occasions he served as the instructor/Directing Staff of Weapon Wing and Tactics Wing of School of Infantry and Tactics, Sylhet, Defence Services Command and Staff College, Mirpur and Armed Forces War Course at National Defence College, Bangladesh. He was the operational staff officer at all tiers of Bangladesh Army i.e. GSO II of Military Operations Directorate, AHQ, Brigade Major of an Infantry Brigade and GSO I of an Infantry Division.

Brigadier General Mehdi has contributory services in three different missions of UN, namely UNTAES (Croatia), MONUC (Congo) and UNAMID (Darfur-Sudan) as military observer and staff. As recognition of his outstanding performance in UNAMID he received two commendations from the Force Commander, UNAMID. Defence Ministry of Sudan also awarded him with a credential for his extraordinary offerings for the peace in Darfur. Presently he is the Director, Personnel Administration Directorate of AHQ. He is also a Director of Trust Bank Investment Limited. Bangladesh Army has awarded him with the 'Sena Gourab Padak (SGP)' for his glorious performance in the service. He visited a large number of countries of all the continents. He is married and father of three daughters.



Mr. Ashrafuzzaman Khan
Independent Director

Mr. Ashrafuzzaman Khan has a very sound scholastic record. He passed out from Mirzapur Cadet College and studied Economics at University of Dhaka. He is a very prominent entrepreneur and success driven figure in business community with diversified business portfolio. At present he is the Managing Director of Executive Attire limited.

Mr. Khan was a civil sponsor of Defence Service Command & Staff College, Mirpur and also served as executive committee member of that college. Mr. Khan is deeply engaged with different social work group. He is a permanent member of Dhaka Club Limited, Uttara Club Limited and Cadet College Club Limited. He has visited a good number of countries.

Mr. Ashrafuzzaman Khan was appointed as Independent Director of Trust Bank Limited on 23 February 2014.



Mr. Shahedul Islam

Independent Director

Mr. Shahedul Islam, born in 1953, is a Chartered Secretary from the Institute of Chartered Secretaries and Administrators, Melbourne, Australia. He is a very prominent entrepreneur involved mainly in the manufacturing industries.

He is the Managing Director of Bengal Pacific (Pvt.) Limited, a manufacturer and exporter of film plastic; and Bengal Braided Rugs Limited, a manufacturer and exporter of jute rugs.

Mr. Islam is the President of the Bangladesh Backward Linkage Association (BBLA), Director of the SME Foundation, member of the Bangladesh Country Coordinating Meeting (BCCM) and director of Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA).

He was the member of the Board of Investment (BOI), President of the Bangladesh Chamber of Industries (BCI), Chairman of the Bangladesh Jute Goods Association (BJGA), President of the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA) and, Director of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI).

Several times Mr. Islam has been awarded as Commercially Important Person by the Govt of Bangladesh for contribution in business sector

Mr. Shahedul Islam has sound experience and knowledge of the banking and financial sectors of Bangladesh. He was a director of the Oriental Bank Limited and managing director of the Alliance Securities Limited, a stock brokerage house.



Mr. M A Haider Hussain

Independent Director

Mr. M A Haider Hussain, one of the pioneers in Pharmaceutical Industries was born in 1966. He obtained a Master's Degree from University of Dhaka. Mr. Hussain is currently leading Drug International Group with his acumen leadership and profound knowledge in business which involves manufacturing and distributing diversified medicinal products.

Mr. Hussain was enticed in business from student life; after getting his Degree from University of Dhaka he deeply engaged himself in the areas of Pharmaceutical Formulation, IT, Ceramics, Tea, Textile and Jute Industry in various areas. During his journey, he started a good number of ventures in various industrial fields. He was directly involved in the exploration and acceleration of domestic and export market of pharmaceuticals, opening African markets for DIL products as well.

Mr. Hussain is involved in various social and charitable activities and is relentlessly working to alleviate the down-trodden living conditions of orphaned children. As well as enhancing the light of the world through education, he established a number of Educational Institutions from primary schooling to University and, Medical College by the Hospital around an underprivileged portion of the Bangladeshi society.



Currently Mr. Hussain is associated with the following organizations:

CHAIRMAN

Khwaja Yunus Ali Medical College & Hospital (KYAMCH)
 Khwaja Yunus Ali Medical College (KYAMC)
 KYAMCH Nursing Institute
 Khwaja Yunus Ali University (KYAU)
 KYAMCH Laboratory School
 Tareq Md. Haider Trust
 Khwaja Yunus Ali Foundation
 Meherunnesa Girls High School

MANAGING DIRECTOR

ATI Limited
 ATI Ceramics Limited
 M M Tea Estate Limited
 Drug International Limited
 Drug International Herbal Limited
 Drug International Unani Limited
 M M Multi Fibers Limited
 Harnest Label Industries Limited

He is a member of Army Golf Club and Executive Committee of Bangladesh Aushad Shilpa Samity.

Mr. Hussain had been awarded by National Board of Revenue as one of the highest tax payers of the country for last 4 financial years.



Brigadier General Md Jalal Ghani Khan, ndc, psc
Director

Brigadier General Jalal was born in 9th December 1966. He was commissioned from Bangladesh Military Academy in 1987 in the Bangladesh Infantry Regiment. He has served in various Command, Staff and Instructional capacity. He commanded an Infantry Battalion and a Composite Brigade. He has performed as a Staff Officer to an Infantry Division as well as to the National Defence College, Bangladesh. He was the Chief Instructor of Weapon Wing of the School of Infantry and Tactics located at Sylhet. He has undergone a number of courses in home and abroad. His foreign courses include "Military and Peacekeeping Operation in Accordance with the Rule of Law" and "Advance Security Cooperation Course (ASC: 12-2) in USA.

Brigadier General Jalal earned a Bachelor's degree in science and a Master degree in defence studies. He graduated himself from the Defence Service Command and Staff College, Dhaka. He also graduated himself from National Defence College, Dhaka and completed M Phil (part: 1).

Brigadier General Jalal participated in UNIKOM in 1993 and UNMIS in 2007. As a part of training curriculum, he visited a number of Countries namely Iraq, Kuwait, KSA, UAE, Nepal, France, Sudan, Uganda, USA etc.



Brigadier General Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc
Director

Brigadier General Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc was commissioned in the Bangladesh Army in December 1986. A graduate of Defence Services Command & Staff College, Mirpur, National Defence College, Dhaka and College of Defence Management, India, actively participated in counter insurgency operations in the CHT, disaster management operations, and nation building activities. He also participated in peace keeping



assignments in Middle East & Africa. Brigadier General Sarwar successfully commanded a unit and a brigade, both in the operational area. He held number of important staff and instructional appointments. Currently, he is working as the Director, Internal Affairs Bureau, Headquarters DGFI. Before joining in DGFI Headquarters, he was serving as the Principal of Military Collegiate School Khulna (MCSK). Brigadier General Sarwar participated in the Asia Pacific Intelligence Chief's Conference at Hawaii and Tokyo and Defence Services Asia Exhibition at Kuala Lumpur. For his dedicated service and glorious role in operation, he is awarded with (Bisistha Sheba Padak) and (Sena Gourab Padak) medals. Brigadier General Sarwar regularly contributes in various journals and national dailies. He is pursuing a PhD on Bangladesh Liberation War under Dhaka University. He is married to Sikha and is a father of a daughter and a son.



Brigadier General Mohammad Omar Zahid, psc **Director**

Brigadier General Mohammad Omar Zahid, psc was commissioned in the Corps of Signals on 26 June 1987. He holds Masters Degrees in Defence Studies and Business Administration.

He has attended several professional courses both at home and abroad. He is a graduate of Defence Services Command and Staff College (DSCSC), Bangladesh. He attended "Stabilization Stage" of Advance Command and Staff Course at Defense Academy, UK.

Brigadier General Omar Zahid has a mix of command, staff and instructional exposure. He commanded a Signal Battalion and one of the "Protection Wings" of the Special Security Force (SSF). He was Commandant, Army School of Education and Administration (ASEA).

As staff, he served the appointment of Deputy Director (Communication) of SSF. He also served as the colonel staff of an Infantry Division.

His instructional appointments include, serving as instructor at Signal Training Center and School, Platoon Commander and Term/Company Commander in Bangladesh Military Academy. He was also a Directing Staff at Defence Services Command and Staff College.

Brigadier General Omar Zahid served UN as Operations officer and Senior Operations Officer at the UNGCI Headquarters in Iraq. He also served as the Sector Commander and Sector senior Military Observed of "Multinational Sector West" of ONUCI at Ivory Coast.



Brigadier General Md Mohsin, ndc, psc **Director**

Brigadier General Md Mohsin, ndc, psc has been appointed at Army Headquarters as Director, Personnel Services and Provost Marshal in Adjutant General's Branch on 14 January 2016. He was born on 15 January 1967. He was commissioned in the Regiment of Artillery on 26 June 1987. He held different appointments at regimental level i.e. adjutant, quartermaster, observer, battery commander, second in command of battalion at Chittagong Hill Tract in counter insurgency operational environment and finally he commanded 32 Field Regiment Artillery, a newly raised unit with a challenging environment. As an extra regimental appointment he



served in Special Security Force, Commanded Military Police Unit and in Army Security Unit as Chief Security Coordinator of Chief of Army Staff's Security and as Chief Instructor in Training Regiment, Artillery Centre and School. He was Sector Commander of Rajshahi Sector in Border Guard Bangladesh. He commanded 55 Artillery Brigade at Jessore. He has attended number of courses both at home and abroad. Foreign course include Dignitary Protection Course from Thailand obtaining Best Shooter Award. He obtained Masters on Defence Studies from National University of Bangladesh. He is a graduate of Mirpur Defence Services Command and Staff College. He is also an alumna of National Defence College, Mirpur and obtained Masters on Strategy and Development Studies from Bangladesh University of Professionals. He served in three UN mission in Sierra Leone as Contingent member, Liberia as Chief Military Public Information Officer in Forces Headquarters and in Democratic Republic of Congo as Forces Provost Marshal in Forces Headquarters. He has visited number of countries around the globe, Brigadier General Mohsin is a proud father of one daughter and one son, both are students. His wife, Mrs Elizabeth Mohsin is a house wife, who commits herself in upbringing and educating the children. Brigadier General Mohsin's hobby is mainly reading books, games & sports and an occasional golfer.



Mr. Ishtiaque Ahmed Chowdhury
Managing Director & CEO

Mr. Ishtiaque Ahmed Chowdhury was appointed as Managing Director & CEO of Trust Bank Limited on February 04, 2013. He was in current-charge of the office of the Managing Director from December 12, 2012 to February 03, 2013. Prior to assuming this office, he served the Bank as Deputy Managing Director since 2005.

After completing B.A.(Hons) M.A. in Political Science from University of Dhaka in 1976 he started his career with Rupali Bank Limited as Probationary Officer in 1977, He also studied LLB from Dhaka University. Mr. Chowdhury gained grounded experiences in many field ranges from rural banking, SME banking, wholesale banking, client acquisition, to roll out of loss incurring branches of the Bank into profitable ones within target time.

Mr. Chowdhury spent half of his career time in AB Bank Limited, first private commercial bank of the country (1984 to 2002). He headed major corporate branches of the Bank including Kawran Bazar, Uttara, and Motijheel Corporate Branch. He also worked in Financial Control department of the Bank for almost four years. He won the best manager award and appreciation for his outstanding performance at the Bank.

Over the last 38 years, Mr. Chowdhury's career evolved as a well rounded banker with adequate exposure in Strategic Risk Management, Revenue Growth, Client Acquisition, and Operations Management.

Mr. Chowdhury participated in a good number of professional trainings, workshops, and seminars at home and abroad. Recently he has participated in a certificate course on 'Value Creation in Banking and Strategic Management in INSEAD France (Business School for the world) sponsored by Standard Chartered Bank which was held from October 29 to November 01, 2015.

Mr. Chowdhury was born in Sylhet in 1953. He is married to Syeda Latifa Ishtiaque. Their only son, Chowdhury Ahmed Tausif Ishtiaque has graduated from Institute of Business Administration (IBA), University of Dhaka and completed his MBA program from INSEAD Singapore Campus on June 2015 and working in Boston Consulting Group in Malaysia, a well reputed global marketing research group.



Executive Committee



Audit Committee



Risk Management Committee



Management Committee



Asset-Liability Committee (ALCO)



Credit Committee



Executive Committee

- Maj Gen S M Matiur Rahman, afwc, psc
- Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc
- Mr. Ashrafuzzaman Khan
- Brig Gen Md Jalal Ghani Khan, ndc, psc
- Mr. Ishtiaque Ahmed Chowdhury
- Mr. Khaled Mahbub Morshed, FCA

Chairman
Member
Member
Member
Managing Director & CEO
Secretary

Audit Committee

- Mr. Mr. Shahedul Islam
- Mr. M A Haider Hussain
- Brig Gen Mohammad Omar Zahid, psc
- Mr. Khaled Mahbub Morshed, FCA

Chairman
Member
Member
Secretary

Risk Management Committee

- Brig Gen Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc
- Mr. Ashrafuzzaman Khan
- Mr. Shahedul Islam
- Mr. Khaled Mahbub Morshed, FCA

Chairman
Member
Member
Secretary

Senior Executives

- Mr. Ishtiaque Ahmed Chowdhury
- Mr. Abu Zafar Hedaytul Islam
- Mr. Shahud Ahmed
- Mr. S. M. Akram Sayeed
- Mr. Md. Zillur Rahim Chowdhury
- Ms. Musarrat Hossaini Khan
- Mr. Akhlasur Rahman Bhuiyan
- Mr. Hossain Shah Ali
- Ms. Hasna Hena Chowdhury
- Mr. M. Shafiqul Islam
- Mr. Abul Kalam
- Mr. Md. Kamal Hossain Sarker
- Mr. Khaled Mahbub Morshed, FCA
- Mr. Gobinda Chandra Podder
- Mr. Tanvir Hossain
- Mr. Mohammad Mohsin
- Mr. Md. Shueb Ahmed Chowdhury

MD & CEO
DMD
SEVP
SEVP
SEVP
SEVP
SEVP
SEVP
EVP
EVP
EVP
EVP
EVP
EVP
EVP
EVP
EVP
EVP

ট্রাস্ট ইসলামিক ব্যাংকিং

সুদ বিহীন হালাল জীবন ব্যবস্থা



ট্রাস্ট ব্যাংক
সবসময়, সবখানে, সবার জন্য



Chairman's Message



Bismillahir Rahmanir Rahim
Assalamu Alaikum

Dear Shareholders

It is indeed a great pleasure for me to welcome you all to the 17th Annual General Meeting of Trust Bank Limited and present the annual report of the Bank and its subsidiaries for the year 2015.

2015 was yet another difficult year for the global economy witnessing investment & trade-volume declines and fuel price loses its shines. Countries worldwide have struggled to retain their economic growth same as of previous years. Rising intolerance, fundamentalism & unemployment challenged the peace & harmony of societies throughout this year.

Human civilization is a history of challenges & progression – every challenge creates opportunity. Challenges in developed economies created opportunities for under-developed & developing economies like Bangladesh. In spite of hick-ups here & there, Bangladesh consistently performed well in recent years and hope will do the same in future also In sha Allah.

Bangladesh, for being rich in hard-working human resources can become the manufacturing hub of the globe in near future. Remittances from the overseas wage earners in recent years have greatly helped the country to sail through the turbulent sea of global finance & build-up of a strong reserve. If we could improve the skill of our human resources – the amount & volume of remittance will reach a new height and its economic contribution will be multidimensional for the country. Your Bank has contributed in this sector for ultimate benefit of the country by contributing significant financial assistance for establishing Trust Technical Training Institute (TTTI). Trust Bank Limited also provided financial assistance of Tk. 106.50 million in the areas of education, culture, health, sports, disaster management and others as part of Corporate Social Responsibilities in the year 2015.

Manufacturing and infrastructure are the most vital sector of growth trajectory for our country & economy at the moment and will remain same at least for next decade. I feel proud to inform you that your bank is very much present in these sectors. 33.99% of our investments is made in these sectors. In national context it is still a small portion – but there are scopes to explore further.

During 1970s major contributor of our GDP was Agriculture. Though it has lost its position to Manufacturing sector now, but it has increased its volume and showing great potentials for future. A silent revolution has occurred in this sector in our country – particularly in technology & production. The next turn is the development of 'marketing channels' to ensure fare prices to the farmers - which needs high investment. Your bank is already working with NGOs and Corporate Houses for agro-loans and also exploring the sector & potentials for sustainable benefits through its Agri & SME Divisions.

It's my pleasure to see that, Trust Bank has established itself as a compliant institution, careful about its responsibility & offering almost all banking services available in the country. Your bank is providing Islamic-Banking, Mobile-Banking through a countrywide net-work and Retail-Banking to meet the consumer needs through its diversified products & services. Market dynamics changes with the change of economy – market players accordingly changes its product & services, Trust Bank is fully aware of this principle & shaping its product & services accordingly.



Technology will continue to remain the key driver of future banking. Trust Bank has already injected significant investments in IT to realize the full potential of future banking and need to invest in IT security as well. Future banking product & services are all IT based and to cope with the market we have to expand our capacity & capability.

Last but not the least- the Human Capital, undeniably the core strength of any bank is its skilled human resource to manage the risk management system, automation and business challenges of the bank. Trust bank has a strong team of professional bankers and HRM policy of the bank is continuously facilitating different endeavors for capacity building, retention & skill development of its resources to meet the future challenges of 2016 & bring Trust Bank to a new height.

Before concluding, I like to acknowledge and convey my gratitude & thanks to our valued shareholders, Bangladesh Bank, Bangladesh Securities & Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd. and other regulatory authorities for continued support and guidance. I also like to convey my thanks to our customers, investors and vendors for their support and trust.

At the end, I like to thank all my colleagues in the Board of Directors, the Management and the entire workforce of the Bank for their hard work and achievements.

Thank you.

Gen Abu Belal Muhammad Shafiul Huq, ndc, psc
Chairman



চেয়ারম্যান মহোদয়ের বাণী

পরম করুণাময় মহান আল্লাহর নামে শুরু করছি।

আসসালামু আলাইকুম।

প্রিয় শেয়ারহোল্ডারবৃন্দ,

আমি অত্যন্ত আনন্দের সাথে আপনাদের সবাইকে ট্রাস্ট ব্যাংক লিমিটেড এর ১৭তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি এবং ট্রাস্ট ব্যাংক ও এর সহযোগী প্রতিষ্ঠান সমূহের ২০১৫ সালের বার্ষিক প্রতিবেদন আপনাদের সামনে উপস্থাপন করছি।

বিগত বছরগুলোর ন্যায় ২০১৫ সালও বিশ্ব অর্থনীতির জন্য ছিল একটি দুঃসময়। সামগ্রিক বিনিয়োগ ও বাণিজ্যের পরিমাণ হ্রাস ও তেলের মূল্য পতনের ফলে বিশ্ব অর্থনীতিকে পূর্ববর্তী বছরের প্রবৃদ্ধি ধরে রাখতে হিমশিম খেতে হয়েছে। বছর জুড়ে সামাজিক অস্থিরতা, মৌলবাদ, বেকারত্ব প্রভৃতি বিষয়সমূহ সামাজিক সম্প্রীতি ও সৌহার্দ্যকে বাধাগ্রস্ত করেছে।

মানব সভ্যতার ইতিহাস বাধা বিপত্তিকে জয় করে টিকে থাকার ইতিহাস। প্রতিটি বাধাই আমাদের জন্য নিয়ে আসে সাফল্যের সুযোগ। উন্নত বিশ্বের সমস্যা সমূহ বাংলাদেশের মতো উন্নয়নশীল দেশের জন্য সুবর্ণ সুযোগ তৈরি করে দেয়। বৈশ্বিক উত্থান পতনের মাঝেও সাম্প্রতিক বছরগুলোতে বাংলাদেশ ধারাবাহিকভাবে সাফল্য অর্জন করেছে এবং আশা করা যায় সাফল্যের এ ধারা আগামী দিনগুলোতেও বজায় থাকবে ইনশা-আল্লাহ।

পরিশ্রমী মানব সম্পদে সমৃদ্ধ বাংলাদেশ অদূর ভবিষ্যতে হতে পারে উৎপাদনমুখী শিল্পের বৈশ্বিক কেন্দ্রবিন্দু। সাম্প্রতিক বছরগুলোয় প্রবাসী আয় আমাদের অর্থনীতিকে বিশ্ব মন্দার হাত থেকে রক্ষা করেছে এবং বৈদেশিক মূদ্রার সঞ্চয়কে করেছে আরো শক্তিশালী। যদি এই মানব সম্পদকে আরো দক্ষ ও প্রশিক্ষিত করা যায় তাহলে আমাদের অর্থনীতি হবে আরো সমৃদ্ধশালী ও বৈচিত্র্যময়। আপনাদের ব্যাংক এই লক্ষ্যকে সামনে রেখে ট্রাস্ট টেকনিক্যাল ট্রেনিং ইনিস্টিটিউট প্রতিষ্ঠায় উল্লেখযোগ্য পরিমাণ আর্থিক সহায়তার মাধ্যমে দেশের মানব সম্পদ উন্নয়নে ভূমিকা রেখে আসছে। এছাড়াও সামাজিক দায়বদ্ধতার অংশ হিসেবে শিক্ষা, স্বাস্থ্য, সংস্কৃতি, ক্রীড়া, দুর্ঘোণ ব্যবস্থাপনা ও অন্যান্য খাতে আপনাদের ব্যাংক ২০১৫ সালে ১০৬.৫০ মিলিয়ন টাকা সহায়তা প্রদান করেছে।

বর্তমানে আমাদের দেশের অর্থনৈতিক উন্নয়নের অন্যতম প্রভাবক হিসেবে কাজ করছে উৎপাদনশীল ও ভৌত অবকাঠামোগত খাতে বিনিয়োগ; যা আগামী দশকেও গুরুত্বপূর্ণ ভূমিকা রাখবে। আপনারা জেনে আনন্দিত হবেন যে, এই খাতসমূহে আমাদের ব্যাংকের মোট বিনিয়োগের ৩৩.৯৯% নিয়োজিত আছে, যা আরো বৃদ্ধি করার সুযোগ রয়েছে।

সত্তর দশকে আমাদের মোট দেশজ উৎপাদনের সিংহভাগই আসতো কৃষিখাত থেকে। যদিও বর্তমানে উৎপাদন খাতই অর্থনীতিতে মূখ্য ভূমিকা পালন করছে তথাপি মোট কৃষি উৎপাদন দিন দিন উল্লেখযোগ্য হারে বৃদ্ধি পাচ্ছে; যা ভবিষ্যতে আরো বৃদ্ধি পাবে। প্রযুক্তির কল্যাণে এই খাতে সম্প্রতি নীরব বিপ্লব ঘটে গেছে। আর এই বিপ্লবের পূর্ণাঙ্গ সফলতা নির্ভর করছে সুষ্ঠু বাজার ব্যবস্থাপনার মাধ্যমে কৃষক পর্যায়ে উৎপাদিত পণ্যের যৌক্তিক মূল্য নিশ্চিত করার উপর। আপনাদের ব্যাংক এর এস.এম.ই বিভাগের মাধ্যমে কৃষক পর্যায়ে ব্যাংকের ঋণ সেবা পৌঁছে দেওয়ার লক্ষ্যে বিভিন্ন এনজিও ও অন্যান্য সংস্থার সাথে নিরলসভাবে কাজ করে যাচ্ছে।

এটা আমার জন্যে অত্যন্ত আনন্দের বিষয় যে, ট্রাস্ট ব্যাংক ইতোমধ্যে একটি বিধিবদ্ধ প্রতিষ্ঠান হিসেবে পরিচিতি পেয়েছে এবং নিষ্ঠার সাথে দেশে প্রচলিত সব ধরনের ব্যাংকিং সেবা প্রদান করে যাচ্ছে। আপনাদের ব্যাংক দেশব্যাপী বিস্তৃত শাখা ব্যবস্থাপনার মাধ্যমে ইসলামী ব্যাংকিং, মোবাইল ব্যাংকিং এবং গ্রাহক চাহিদার সাথে সমন্বয় রেখে বিভিন্ন প্রকার রিটেইল ব্যাংকিং সেবা প্রদান করে যাচ্ছে। অর্থনীতির পরিবর্তনের সাথে সাথে পণ্য ও সেবার ক্ষেত্রে বৈচিত্র্য আনতে হয়, এই নীতিতে সচেতন ট্রাস্ট ব্যাংক সর্বদা তার ব্যাংকিং পণ্য ও সেবা যুগোপযোগী করার কার্যক্রম ধারাবাহিকভাবে অব্যাহত রেখেছে।



আগামী দিনের ব্যাংকিং হবে আরো তথ্য-প্রযুক্তি নির্ভর। ট্রাস্ট ব্যাংক এই লক্ষ্যে প্রযুক্তিগত উন্নয়নের জন্যে ইতোমধ্যে তথ্য ও প্রযুক্তিখাতে উল্লেখযোগ্য বিনিয়োগ করেছে এবং তথ্য-প্রযুক্তির নিরাপত্তার স্বার্থে এ খাতে আরো বিনিয়োগ করা প্রয়োজন। আগামী দিনের ব্যাংকিং পণ্য ও সেবা সম্পূর্ণরূপে তথ্য-প্রযুক্তি নির্ভর হয়ে যাবে এবং এর সাথে বাজারে প্রতিযোগিতায় টিকে থাকতে আমাদের দক্ষতা ও সেবার কার্যপরিধি আরও বৃদ্ধি করতে হবে।

সর্বোপরি, দক্ষ মানব সম্পদ যে কোন ব্যাংকের মূল চালিকা শক্তি। এই দক্ষ মানব সম্পদ ব্যাংকের বুঁকি ব্যবস্থাপনা, আধুনিকায়ন ও ব্যবসায়িক চ্যালেঞ্জ মোকাবেলায় সহায়তা করে। ট্রাস্ট ব্যাংকের সুদক্ষ পেশাদার ব্যাংকারগণ এবং মানব সম্পদ ব্যবস্থাপনা নীতি আমাদের ব্যাংক কর্মকর্তাদের কর্মদক্ষতা বৃদ্ধিতে এবং দক্ষ কর্মকর্তাদের এই প্রতিষ্ঠানে ধরে রাখতে গুরুত্বপূর্ণ ভূমিকা রাখছে, যা ২০১৬ সালের চ্যালেঞ্জ মোকাবেলা করে আপনাদের এই ব্যাংককে নতুন এক উচ্চতায় নিয়ে যাবে।

শেষ করার পূর্বে, আমি অব্যাহত সমর্থন এবং দিক নির্দেশনার জন্যে আমাদের সম্মানিত শেয়ারহোল্ডারবৃন্দ, বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিস এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লিমিটেড, চট্টগ্রাম স্টক এক্সচেঞ্জ লিমিটেড এবং অন্যান্য নিয়ন্ত্রক সংস্থার প্রতি আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছি। আমাদের সকল পর্যায়ের গ্রাহক ও বিনিয়োগকারীদের প্রতিও আমি আন্তরিক ধন্যবাদ জ্ঞাপন করছি।

পরিশেষে, আমি পরিচালনা পর্ষদের আমার প্রিয় সহকর্মীবৃন্দ, ব্যবস্থাপনা কর্তৃপক্ষ এবং ব্যাংকের সকল কর্মকর্তা-কর্মচারীদের কঠোর পরিশ্রম ও সার্বিক অর্জনের জন্যে ধন্যবাদ জানাচ্ছি।

ধন্যবাদান্তে,

জেনারেল আবু বেলাল মোহাম্মদ শফিউল হক, এনডিসি, পিএসসি
চেয়ারম্যান

বিঃদ্র: চেয়ারম্যান মহোদয়ের ইংরেজি ও বাংলা বাণীর ক্ষেত্রে কোন বিষয়ে মতদ্বৈততা দেখা দিলে ইংরেজি বাণীই সঠিক বলে বিবেচিত হবে।



At A Glance

Some products of Trust Bank Limited



Trust Bank
A Bank for Financial Inclusion

ট্রাস্ট ব্যাংক

সবসময়, সবখানে, সবায় জন্ম



From the Desk of the Managing Director & CEO



Dear Respected Shareholders

I would like to avail this auspicious opportunity to present a round up of financial and operating performance of your Bank for the year 2015. By summing up overall activities and performance of the bank keeping in the view of all other industry and economic factors, it can be said that we have passed a year of solid performance in 2015. We have achieved new milestones in growth trajectory in our core businesses in the year.

Our relentless focus on emerging opportunities has enabled the Bank to step forward with a positive growth in a challenging environment. We are consistently innovating and adding value through technology-led delivery channels supported by a wide range of product offerings. Our efforts to reach grassroots level for financial inclusion is another endeavor of your bank. 2015 was yet another year of success for Trust Bank Limited where we continued to retain growth in every sector.

Bangladesh passed a comparatively stable year in terms of economy and politics though there were prolonged political disruptions in the first quarter of the year 2015. Bangladesh's fiscal year 2014-15 closed with a number of macroeconomic advantages including lower inflation, declining interest rate, stable exchange rate, manageable fiscal deficit, positive balance of payment and augmented foreign exchange reserves. The low level of global commodity prices including that of oil has also provided some respite in terms of resources needed to meet subsidy demands. The country's farmers, migrant workers, pharmaceutical sector and garment sector continued to fight as the nation's biggest winners bringing sunshine to the economy. In the year 2015 growth engine exhibited slight progress whereby GDP rose to 6.51 percent from 6.06 of the year 2014.

The country's FE reserve reached a high of 27 billion USD. Experts attributed the rise in reserve to the slump in internal investment and import of capital goods, which reflected the uncertainty of the investment climate in the country. Remittance staged strong position in 2015 amounting USD 15316.91 million and it grew by 7.65 percent.

The RMG despite many shortcomings continued to flourish with overall export reaching 31.20 billion USD in 2014-2015 fiscal year. However, export to the USA dropped, a consequence of Rana Plaza that had imposed a constraint on the buyers. A redeeming feature is the effort of the BGMEA to make all RMG factories compliant. Apart from above stated positive signs, negative signs are: lurking political uncertainty, persistence infrastructure bottlenecks and rise of default loans and mismanagement in banking sector.

Strategy and Performance

We tried to enhance our lending volume to diversified business and increase advance deposit (A/D) ratio of the Bank. We have also strengthened lending efforts to SME, Retail and Agriculture Sectors. Like previous years, we have tried to maintain a robust liquidity, acquire retail deposits, make cautious lending, and make necessary review of existing portfolio. We made significant achievements in terms of growth of profits, loans and advances, deposits, branches, capacity building, risk management, financial inclusion and improvement in quality of our portfolio.

The year was turned out to be year of solid performance for Trust Bank Limited. We crossed milestone of operating profit of Tk 4,000.00 million for the first time in the life of Trust Bank Limited.

All of these have been possible through the able guidance of honorable Chairman, respected members of the Board of Directors and support from Shareholders, Depositors, Customers and Regulators. Your Bank maintained a comfortable liquidity, growth in deposits, loans advances, and network expansions. We ensured prudent lending, mobilized deposits from retail investors, diversified loans to SMEs and other good credit-worthy enterprises and deliberately kept foreign exchange exposure at a manageable level.



Consolidated Operating Result

Total deposits stood at Tk 150,902 million in 2015 from Tk 125,163 million in 2014, registering a growth of 20.56 percent. Loans and advances stood at Tk 133,654 million in 2015 from Tk 111,413 million at the end of 2014, posting a growth of 19.96 percent compared to last year. Our Advance-Deposit ratio slightly decreased to 88.57 percent from 89.01 percent in 2014. Interest income increased to Tk 13,997 million from Tk 12,555 million in preceding year, which registered a growth of 11.48 percent. Bank earned net interest income of Tk 3,920 million from Tk 2,880 million in 2014 with a stable growth of 36.14 percent.

The Bank earned consolidated operating profit of Tk 4,153 million which is 19.17 percent pick up from Tk 3,485 million in 2014. However, our net income after tax stood at Tk 1,541 million from Tk 1,298 million in 2014, posting a growth of 18.68 percent. Earnings per share stood at Tk 3.29 from Tk 2.77 in 2014 and Tk 0.76 in 2013.

Robust Results in Core Banking

The Bank earned total operating income of Tk 7,529 million in 2015 compared to Tk 5,978 million recording a growth of 25.95 percent over last year. We earned Tk 3,901 million as operating profit which was Tk 3,258 million in 2014. Our operating profit from core banking grew by 19.75 percent compared to the year 2014. On the other hand, the percentage of non-performing loans slightly increased to 2.74 percent from 2.45 percent in 2014. This indicates that loans asset quality remained strong in spite of recording robust growth in loans portfolio. This also implies that to enhance our loans and advances, we did not compromise regarding quality and risk mitigating activities. Preceding facts and figures signify that our performance in core banking activities deserve a big hand.

Continued Growth in Islamic Banking

Our Islamic banking activities are growing in a tandem with conventional banking. Deposits under Islamic Banking recorded a growth of 62.92 percent and stood at Tk 12,385 million from Tk 7,602 million in 2014. Investments under Islami Banking stood at Tk 9,181 million in 2015 from Tk 6,419 million in 2014 registering growth of 43.04 percent. During 2015, Islamic Bank wing earned operating profit of Tk 360 million from Tk. 290 million in 2014 with a sound growth of 24 percent.

Capital Adequacy & Solvency

Total consolidated regulatory capital stood at Tk 13,922 million in 2015 as against Tk 13,419 million in 2014. Capital adequacy ratio (consolidated) is maintained at 10.81 percent of total risk weighted assets against minimum regulatory requirement of 10 percent under Basel III Capital Accord. Bank also declared stock dividend in addition to cash dividend to retain capital adequacy proportionate to business growth.

Other Major Achievements

TBL has aimed at its core to be a Bank for financial inclusion and in this connection, we opened 10 new branches mostly in rural areas in 2015 extending network to 107 branches including 6 SME/Agri branches. We opened 29 ATMs and the number of ATMs stood 171 at end of the year 2015. The Bank is also offering services through T-Lobby and there were 9 T-lobby at the end of 2015. The Bank is offering full-fledged mobile banking through service name and style of 'Trust Mobile Money' through thousands of outlets across the country.

Commitments for 2016

Our operating vision is to achieve long term sustainable growth. In line with that we have put more emphasis on liquidity management and long term solvency through keeping our advance deposit ratio within standard range.



Moreover, analysis of operating results of 2015 revealed that all profitability measures scaled up significantly. Now we have to stabilize it. We are designing strategies in place to maintain profitability, adequate capital and asset quality as strong as it is now. We also plan to further diversify our portfolio and extend our credit facilities to productive sectors such as agriculture and rural financing, micro financing, micro enterprise financing.

The Bank is reducing dependency on large ticket deposits and trying to get retail deposits through diversified products and services under retail banking. In case of financing, we are focused on providing credits to SME, productive corporate and to those companies which have lower risk. We will remain focused on retail banking for deposits mobilization and SMEs, rural financing, and micro financing for diversified investment, besides our core corporate and middle market business. We are also trying to further expand our Islamic Banking services and investments under Islamic banking through centralized operations. This will further enhance our loans and advances in the coming years.

The Bank is going to open 10 new branches and a good number of ATMS and t-Lobby around the country in 2016 to gradually build required network for financial inclusion. We are committed as ever to enhance our service quality and bond relationship with our clients.

Thanks and Gratitude

On behalf of Management, I am expressing my sincere thanks and gratitude to the members of the Board of Directors for their policy guidelines and adequate support to the management to implement those. An optimum mixture of Board's support and management's diligent discharge of responsibility made your bank a unique institution in the country. We pledge our commitment to build on this further and take TBL to its new heights of success while complying strictly with all regulatory and internal requirements. On the occasion of the 17th Annual General Meeting, I would like to extend my heartfelt thanks to the respected shareholders and all other stakeholders for the trust and confidence that you have reposed in the Management of the Bank.

I would conclude by expressing my special thanks and wholehearted gratitude to Clients, Government Agencies, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, and my beloved colleagues of Trust Bank Limited.

Thank you.

Ishtiaque Ahmed Chowdhury
Managing Director & CEO



ব্যবস্থাপনা পরিচালক মহোদয়ের বাণী

শ্রদ্ধেয় শেয়ারহোল্ডারগণ,

ট্রাষ্ট ব্যাংক লিমিটেড এর ২০১৫ সালের আর্থিক ও পরিচালন সাফল্যের চিত্র আপনাদের সামনে তুলে ধরতে পেরে আমি নিজেকে ভাগ্যবান মনে করছি। অর্থনীতির বিভিন্ন সূচক ও আর্থিক শিল্পের বিভিন্ন দিকের সাথে তুলনা করে আমরা সংক্ষেপে বলতে পারি যে, ২০১৫ সাল আপনাদের ব্যাংকের জন্য একটি দারুণ সফল বছর ছিল। আমরা মৌলিক ব্যাংকিং এর মাধ্যমে এ বছর নতুন মাইল ফলক স্থাপন করতে সক্ষম হয়েছি।

প্রতিযোগিতামূলক পরিবেশের মধ্যেও নিরন্তর প্রচেষ্টার কারণে আমরা সামনের দিকে সাফল্যের সাথে এগিয়ে যাচ্ছি। আমরা প্রতিনিয়ত বিস্তৃত পরিসরে প্রযুক্তি নির্ভর সেবা প্রদানের মাধ্যমে আমাদের সেবার মান বৃদ্ধি করছি। আমাদের প্রচেষ্টা হচ্ছে আপনাদের ব্যাংককে তৃণমূল পর্যায়ে আর্থিক কর্মকাণ্ডে সংযুক্ত করা। ২০১৫ সাল ছিল আরেকটি সাফল্যমণ্ডিত বছর। পরিচালনার প্রতিটি পর্যায় আমরা প্রবৃদ্ধি ধরে রাখতে সক্ষম হয়েছি।

রাজনৈতিক ও অর্থনৈতিক দৃষ্টিকোণ থেকে ২০১৫ সাল তুলনামূলকভাবে স্থিতিশীল ছিল যদিও বছরের প্রথম অংশে রাজনৈতিক পরিস্থিতি কিছুটা অস্থিতিশীল ছিল। স্বল্প মুদ্রাস্ফীতি, সুদের নিম্নমুখী হার, স্থিতিশীল বৈদেশিক মুদ্রা বিনিময় হার, নিয়ন্ত্রিত বাজেট ঘাটতি, ইতিবাচক বৈদেশিক বাণিজ্য ও শক্তিশালী বৈদেশিক মুদ্রার রিজার্ভ প্রভৃতি কারণে ২০১৪-২০১৫ অর্থ বছরে সামষ্টিক অর্থনীতি বেশ চাঙ্গা ছিল। এছাড়াও পণ্যের মূল্য হ্রাস বিশেষত তেলের মূল্য হ্রাসের ফলে ভর্তুকির উপর চাপ কমেছে; যা অর্থনীতিকে একটি স্বস্তিদায়ক পর্যায়ে এনেছে। দেশের কৃষক, প্রবাসী বাংলাদেশি, ঔষধ শিল্পখাত এবং তৈরি পোশাক শিল্প অর্থনৈতিক উন্নয়নে গুরুত্বপূর্ণ অবদান রেখেছে। ২০১৫ সালে মোট দেশজ উৎপাদনের প্রবৃদ্ধির হার ছিল ৬.৫৫ শতাংশ যা ২০১৪ সালে ছিল ৬.০৬ শতাংশ।

দেশের বৈদেশিক মুদ্রার রিজার্ভ ২৭ বিলিয়ন মার্কিন ডলারে উন্নীত হওয়াকে অনেকে অর্থনীতির একটি শক্তিশালী সূচক হিসেবে বিবেচনা করলেও, রিজার্ভের প্রবৃদ্ধিকে বিনিয়োগ ও মূলধনী পণ্যে আমদানি হ্রাসের কারণ হিসেবে বিবেচনা করা হয় যা অনিশ্চিত বিনিয়োগ পরিবেশের দিকে ইঙ্গিত করে। ২০১৫ সালে প্রবাসী আয় ২০১৪ সাল হতে ৭.৬৫ শতাংশ বৃদ্ধি পেয়ে ১৫,৩১৬.৯১ বিলিয়ন মার্কিন ডলারে উন্নীত হয়। তৈরি পোশাক শিল্পে বিভিন্ন সীমাবদ্ধতা সত্ত্বেও ২০১৫ সালে সামগ্রিক রপ্তানি আয় ৩১.২০ বিলিয়ন ডলারে উন্নীত হয়। তবে অস্থিতিশীল রাজনৈতিক পরিবেশ, দুর্বল অবকাঠামো ও খেলাপী ঋণ বৃদ্ধি প্রভৃতি ব্যাংকিং খাতের আশানুরূপ ফলাফল অর্জনে বাধা সৃষ্টি করেছে।

ব্যবসায়িক কৌশল ও সাফল্য

বছরের শুরু থেকেই আমরা দেশের সার্বিক পরিস্থিতি সম্পর্কে সচেতন ছিলাম। ব্যাংকের শক্তিশালী তারল্যকে কাজে লাগিয়ে আমাদের ঋণ ও অগ্রিম বৃদ্ধির কার্যকর প্রচেষ্টা অব্যাহত ছিল। আমরা আমাদের ঋণ ও অগ্রিম প্রদানের কর্মসূচীকে বিভিন্ন খাত ও শিল্পে বহুমুখীকরণে বিশেষভাবে সচেষ্ট ছিলাম। এই বছর ট্রাষ্ট ব্যাংকের জন্য অন্যতম সফল বছর ছিল। ট্রাষ্ট ব্যাংকের ইতিহাসে প্রথমবারের মতো আমরা ব্যাংকের পরিচালন মুনাফায় ৪,০০০ বিলিয়ন টাকার মাইলফলক অতিক্রম করেছি। ব্যাংকের সমস্ত সাফল্যের মূলে রয়েছে ব্যাংকের মাননীয় চেয়ারম্যান ও পরিচালনা পরিষদের শ্রদ্ধেয় সদস্যদের দিকনির্দেশনা এবং সর্বোপরি শেয়ারহোল্ডার, আমানতকারী, গ্রাহকবৃন্দ ও নিয়ন্ত্রনকারী সংস্থার যথাযথ সহযোগিতা।

পরিচালন সাফল্য

ব্যাংকের আমানত ২০১৪ সাল শেষে ১২৫,১৬৩ বিলিয়ন টাকা থেকে ২০.৫৬ শতাংশ বৃদ্ধি পেয়ে ২০১৫ সাল শেষে ১৫০,৯০২ বিলিয়ন টাকায় উন্নীত হয়। ব্যাংকের মোট ঋণ ও অগ্রিম ২০১৪ সাল শেষে ১১১,৪১৩ বিলিয়ন টাকা থেকে ১৯.৯৬ শতাংশ বৃদ্ধি পেয়ে



২০১৫ সাল শেষে ১৩৩,৬৫৪ মিলিয়ন টাকায় উন্নীত হয়। আমাদের ঋণ-আমানত হার গত বছর শেষে ৮৯.০১ শতাংশ থেকে কিছুটা হ্রাস পেয়ে ৮৮.৫৭ শতাংশে দাঁড়ায়। আমাদের সুদ আয়ের পরিমাণ গত বছরের ১২,৫৫৫ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ১৩,৯৯৭ মিলিয়ন টাকায় দাঁড়ায়। অর্থাৎ ব্যাংক সুদ থেকে আয়ে ১১.৪৮ শতাংশ প্রবৃদ্ধি অর্জন করে। ব্যাংকের নীট সুদ আয় গত বছরের ২,৮৮০ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ৩,৯২০ মিলিয়ন টাকায় দাঁড়ায় যা পূর্ববর্তী বছরের তুলনায় ৩৬.১৪ শতাংশ বেশি। ব্যাংক আলোচ্য বছরে পরিচালন মুনাফা করেছে ৪,১৫৩ মিলিয়ন টাকা যা গত বছরের ৩,৪৮৫ মিলিয়ন টাকার চেয়ে প্রায় ১৯.১৭ শতাংশ বেশি। আমাদের কর পরবর্তী মুনাফা হয় ১,৫৪১ মিলিয়ন টাকা যা গত বছরের ১,২৯৮ মিলিয়ন টাকা হতে ১৮.৬৮ শতাংশ বেশি। বছর শেষে শেয়ার প্রতি আয় ২০১৪ সালের ২.৭৭ টাকা হতে বৃদ্ধি পেয়ে দাঁড়ায় ৩.২৯ টাকায়, যা ২০১৩ সালে ছিল ০.৭৬ টাকা।

মূল ব্যাংকিং-এ সাফল্য

ব্যাংকের মৌলিক ব্যাংকিং পরিচালনা আয় ২০১৪ সালের ৫,৯৭৮ মিলিয়ন থেকে ২৫.৯৫ শতাংশ বৃদ্ধি পেয়ে ৭,৫২৯ মিলিয়ন টাকায় দাঁড়ায়। পরিচালন মুনাফা হয় ৩,৯০১ মিলিয়ন টাকা যা ২০১৪ সালে ছিল ৩,২৫৮ মিলিয়ন টাকা। ট্রাস্ট ব্যাংকের পরিচালন মুনাফায় সামষ্টিক প্রবৃদ্ধির হার ২০১৪ সালের তুলনায় ১৯.৭৫ শতাংশ বেশি। অন্যদিকে ব্যাংকের শ্রেণীকৃত ঋণের হার ২০১৪ সালের ২.৪৫ শতাংশ থেকে কিছুটা বৃদ্ধি পেয়ে ২.৭৪ শতাংশে উন্নীত হয়। ব্যাংকের শ্রেণীকৃত ঋণের হার কিছুটা বৃদ্ধি পেলেও আমরা বলতে পারি ঋণ ও অগ্রিম বাড়তে গিয়ে ব্যাংক ঋণ ও অগ্রিমের গুণগত মানে ছাড় দেয়নি। উপরিউক্ত তথ্য থেকে আমরা বলতে পারি যে আমাদের মৌলিক ব্যাংকিং এর সার্বিক সাফল্য প্রশংসার দাবি রাখে।

ইসলামী ব্যাংকিং এ অব্যাহত সাফল্য

কনভেনশনাল ব্যাংকিং এর পাশাপাশি আমাদের ইসলামী ব্যাংকিং কার্যক্রমে আমরা প্রশংসনীয় প্রবৃদ্ধি অর্জন করেছি। উক্ত বছরে ইসলামী ব্যাংকিং এর আওতায় আমানত ২০১৪ সাল শেষে ৭,৬০২ মিলিয়ন টাকা থেকে ৬২.৯২ শতাংশ বৃদ্ধি পেয়ে ২০১৫ সাল শেষে ১২,৩৮৫ মিলিয়ন টাকায় উন্নীত হয়। ইসলামী ব্যাংকিং এর আওতায় মোট বিনিয়োগ ২০১৪ সাল শেষে ৬,৪১৯ মিলিয়ন টাকা থেকে ৪৩.০৪ শতাংশ বৃদ্ধি পেয়ে ২০১৫ সাল শেষে ৯,১৮১ মিলিয়ন টাকায় উন্নীত হয়। ইসলামী ব্যাংকিং এর আওতায় পরিচালন মুনাফার পরিমাণ ২০১৪ সালের ২৯০ মিলিয়ন টাকা হতে ২৪ শতাংশ বৃদ্ধি পেয়ে ২০১৫ সালে ৩৬০ মিলিয়ন টাকায় উন্নীত হয়।

মূলধন পর্যা়প্ততা

২০১৫ সালে মূলধন সংশ্লিষ্ট কেন্দ্রীয় ব্যাংকের বিধি মোতাবেক ব্যাংকের মূলধনের পরিমাণ দাঁড়ায় ১৩,৯২২ মিলিয়ন টাকা যা গত বছর শেষে ছিল ১৩,৪১৯ মিলিয়ন টাকা। অর্থাৎ কেন্দ্রীয় ব্যাংকের বিধি মোতাবেক ন্যূনতম ১০ শতাংশের বিপরীতে ব্যাংক ১০.৮১ শতাংশ হারে মূলধন সংরক্ষণ করতে সক্ষম হয়। ব্যবসা বৃদ্ধির সাথে সাথে ব্যাংকের মূলধন পর্যা়প্ততা বজায় রাখার জন্য আলোচ্য বছরে ব্যাংক নগদ লভ্যাংশের পাশাপাশি শেয়ার লভ্যাংশ ঘোষণা করে।

অন্যান্য অর্জন

অর্ন্তভুক্তিমূলক ব্যাংকিং এর সম্প্রসারণের লক্ষ্যে ২০১৫ সালে ব্যাংক ১০ টি নতুন শাখা চালু করে যা অধিকাংশ পল্লী এলাকায় অবস্থিত। ২০১৫ সাল শেষে ব্যাংকের মোট শাখা সংখ্যা দাঁড়ায় ১০৭টিতে যার মধ্যে ৬ টি এসএমই/কৃষি শাখা রয়েছে। ব্যাংক এ বছর ২৯টি নতুন এটিএম বুথ স্থাপন করেছে, যার ফলে ব্যাংকের এটিএম বুথের সংখ্যা দাঁড়ায় ১৭১টিতে। এ ছাড়াও ব্যাংক ৯ টি 'টি-লবি' র মাধ্যমে ব্যাংকিং সেবা দিয়ে যাচ্ছে এবং পর্যা়প্ত সংখ্যক পে-পয়েন্ট এর মাধ্যমে দেশব্যাপী পূর্ণাঙ্গ মোবাইল ব্যাংকিং সেবা প্রদান করে যাচ্ছে।

ভবিষ্যত পরিকল্পনাসমূহ

ট্রাস্ট ব্যাংক দীর্ঘ মেয়াদে প্রবৃদ্ধি অর্জন করার লক্ষ্যে ব্যাংক ঋণ আমানতকে একটি আদর্শ অনুপাতের মধ্যে রেখে সঠিক তারল্য ব্যবস্থাপনা ও দীর্ঘ মেয়াদে আর্থিক স্বচ্ছলতা নিশ্চিত করছে। ব্যাংকের আলোচ্য বছরের অর্জিত প্রবৃদ্ধি ধরে রাখা ও অন্যান্য সাফল্য



সূচকে আরো সফলতা অর্জনে প্রচেষ্টা অব্যাহত রয়েছে। ব্যাংকের ঋণ-অগ্রিমকে আরো বহুমুখীকরণের লক্ষ্যে এবং উৎপাদনমূলক খাত যেমন- কৃষি, ক্ষুদ্র শিল্প, গ্রামীণ অর্থনীতি ও অন্যান্য আর্থিক প্রতিষ্ঠানের মাধ্যমে ক্ষুদ্র ঋণ প্রদান অব্যাহত রয়েছে। গ্রামীণ, কৃষি, এসএমই ও ক্ষুদ্র ঋণের পাশাপাশি বৃহৎ প্রতিষ্ঠানকে অর্থায়নের কাজ জোরদার করা হবে। ব্যাংকের আমানতকে ঝুঁকিমুক্ত ও বহুমুখী করার লক্ষ্যে ব্যাংক বৃহৎ আমানতের পরিবর্তে ব্যাপক হারে রিটেইল গ্রাহক থেকে আমানত সংগ্রহ করার প্রচেষ্টা অব্যাহত রয়েছে। প্রচলিত ব্যাংকিং এর পাশাপাশি ইসলামী ব্যাংকিং এর আওতায় আমানত ও বিনিয়োগ বৃদ্ধির লক্ষ্যে ইসলামী ব্যাংকিং সেবার আরো প্রসারের জন্য প্রচেষ্টা জোরদার করা হবে। আমরা আশা করি ইনশা-আল্লাহ অদূর ভবিষ্যতে আমাদের ঋণ ও অগ্রিম এবং বিনিয়োগের পরিমাণ বৃদ্ধি পাবে। ব্যাংকের সেবার পরিসর বাড়ানোর লক্ষ্যে ২০১৬ সালে আরও ১০টি নতুন শাখা খোলা হবে। এছাড়াও প্রয়োজনীয় এটিএম বুথ ও টি-লবি খোলা হবে। গ্রাহকদের সাথে সম্পর্কন্যায়নের লক্ষ্যে সেবার পরিসর ও মান বৃদ্ধির চেষ্টা অব্যাহত থাকবে।

ধন্যবাদ জ্ঞাপন ও কৃতজ্ঞতা প্রকাশ

ব্যবস্থাপনা কর্তৃপক্ষের পক্ষ থেকে আমি সম্মানিত পরিচালনা পরিষদের সদস্যদের প্রতি আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি। পরিচালনা পরিষদের সঠিক দিকনির্দেশনা ও সহযোগিতা ছাড়া ব্যাংকের সাফল্য কোনভাবেই ত্বরান্বিত হতোনা। পরিচালনা পরিষদের বিচক্ষণ দিকনির্দেশনা এবং ব্যবস্থাপনা কর্তৃপক্ষের পেশাদারিত্বের সাথে দায়িত্ব পালনের ফলে ট্রাস্ট ব্যাংক আজকে দেশের একটি অন্যতম শক্তিশালী আর্থিক প্রতিষ্ঠান হিসাবে আত্মপ্রকাশ করতে সক্ষম হয়েছে।

আমরা ব্যবস্থাপনা কর্তৃপক্ষ এই প্রতিষ্ঠানকে সাফল্যের নতুন পর্যায়ে নিয়ে যাওয়ায় প্রতিশ্রুতিবদ্ধ এবং সাথে সাথে নিয়ন্ত্রনকারী কর্তৃপক্ষের সফল নির্দেশনা পরিপালন নিশ্চিত করার মাধ্যমে ব্যাংককে ঝুঁকিমুক্ত রাখতেও আমরা প্রতিজ্ঞাবদ্ধ।

ব্যাংকের ১৭তম সাধারণ সভায় উপস্থিত সকল শেয়ারহোল্ডার ও অন্যান্য সংশ্লিষ্ট পক্ষের প্রতি আন্তরিক ধন্যবাদ জ্ঞাপন করছি। আপনারা আমাদের প্রতি যে বিশ্বাস ও আস্থা রেখেছেন তার জন্য আমরা আপনাদের কাছে কৃতজ্ঞ। সম্মানিত গ্রাহক, সরকারী সংস্থাসমূহ, পুঁজিবাজার সংশ্লিষ্ট প্রতিষ্ঠান যেমন ঢাকা স্টক এক্সচেঞ্জ ও চট্টগ্রাম স্টক এক্সচেঞ্জ এবং সর্বোপরি ট্রাস্ট ব্যাংকের আমার প্রিয় সহকর্মীদের প্রতি বিশেষ ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপনের মাধ্যমে আমি শেষ করছি।

ধন্যবাদান্তে,

ইশতিয়াক আহমেদ চৌধুরী

ব্যবস্থাপনা পরিচালক ও প্রধান নির্বাহী কর্মকর্তা

বিঃদ্র: ব্যবস্থাপনা পরিচালক মহোদয়ের ইংরেজি ও বাংলা বাণীর ক্ষেত্রে কোন বিষয়ে মতদ্বৈততা দেখা দিলে ইংরেজি বাণীই সঠিক বলে বিবেচিত হবে।



Management Teams



Anti-Money Laundering Division



Board Division



Retail Banking Division



Management Teams



Training Academy



Financial Control and Accounts Division



Internal Control & Compliance Division



Management Teams



General Services & Security Division



Operations Division



CBMC Department



Management Teams



Human Resources Division



NRB Division



Treasury Division



Management Teams



Trade Services Division



Cost Control Unit



MD's Office



Management Teams



SME & Green Banking Division



Islamic Banking Division



Credit Risk Management Division



Management Teams



Credit Admin Division



Risk Management Division



Mobile Banking Division



Management Teams



Information Technology Division



Alternative Delivery Channel Department



Card Department



Management Teams



ATM, POS & Digital Salary Management Unit



Call Center



Financial Calendar

Financial Results of 2015

First quarter results (un-audited) approved on
Second quarter results (un-audited) approved on
Third quarter results (un-audited) approved on
Annual Financial Statements for the year 2015 approved on

Date

30 April 2015
22 July 2015
20 October 2015
23 March 2016

16th Annual General Meeting

Price Sensitive Disclosure
Record Date
Date of AGM
Credit of Bonus Share on

Date

04 March 2015
15 March 2015
30 March 2015
05 April 2015

17th Annual General Meeting

Price Sensitive Disclosure
Record Date
Date of AGM

Date

24 March 2016
13 April 2016
19 May 2016



Corporate Governance

Corporate Governance is defined as a set of systems, processes and principles which ensure that a company is governed for the best interest of all stakeholders. At Trust Bank Limited, it is the system by which the Bank directed and controlled. It is about promoting corporate fairness, transparency and accountability. In other words, good 'Corporate Governance' is simply 'good businesses'.

We ensure:

- Adequate disclosure and effective decision making to achieve corporate objectives;
- Transparency in business transactions;
- Statutory and legal compliance;
- Protection of shareholders' interest;
- Commitment to values and ethical conduct of business.

Shareholders' Meetings

The supreme authority in the Bank's affairs, within the limit established by the Articles of Association and statutory law, rests with legitimate shareholders' meetings. The Bank's Annual General Meeting is held within statutorily allowed time every year. Decisions at shareholders' meetings are taken by majority vote unless there are contrary provisions in the Bank's Articles of Association or statutory law.





The Board of Directors

The Board of Directors is the supreme authority in the Bank's affairs. The Board of Trust Bank Limited (TBL) is committed to the Bank to achieve superior financial performance and long-term prosperity, while meeting stakeholders' expectations of sound Corporate Governance. It handles the Bank's affairs and ensures that the organization and its operation are at all times in correct and appropriate order. The Board is, among other things, responsible for setting business objectives, strategies and business plans, formulating risk policies, confirming key aspects of the Bank's internal organization and making decisions on the establishment of branches. As a mechanism of budgetary control, the Board approves budget and reviews the business plan from time to time to give directions as per changing economic and market environment. The Board also reviews the policies and guidelines issued by Bangladesh Bank and gives directions for their due compliance. Furthermore, Board of Directors develops and reviews Corporate Governance framework as well as recommends to shareholders to appoint an external auditor.

Composition

The Board of Trust Bank Limited consists of 11 (Eleven) members including Managing Director as executive director and ex-officio member of the Board. As per the guideline of Bangladesh Bank and in compliance with the Bangladesh Securities and Exchange Commission's corporate governance guideline, the Board consists of 03 (Three) Independent Directors.

Appointment of New Director

Decision for appointment of a new Director is made in the meeting of Board of Directors. A detailed biography along with other declarations prescribed by Bangladesh Bank is submitted to Bangladesh Bank for approval. After obtaining approval from Bangladesh Bank, necessary returns are submitted to RJSC & retained the certified copy.

Re-election of Directors

As per Regulation 79 of Schedule-I of the Companies Act 1994 and clause 107-109 of Articles of Association of the Bank at the ordinary general meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from Office. Accordingly, the respective Directors of Trust Bank Limited will retire at the 17th Annual General Meeting.

Independent Director

To comply with the circular issued by Bangladesh Bank and in compliance with the Bangladesh Securities and Exchange Commission's Corporate Governance guideline, the Board of Directors appointed 03 (Three) Independent Directors on the Board. A full compliance report of the said CG guidelines is provided at annexure-IV.

Board Meetings

During the year 2015, there were 15 meetings of the Board. The attendance of Directors at the Board meeting held during the year is provided at annexure-I.

Executive Committee

The Executive Committee comprises four members from the Board. The Committee mainly scrutinizes the proposals sent to Board of Directors for decision. However, in order to have functioning and quick disposal of credit proposals and other relevant issue, Board has delegated authority to Executive Committee of the Board to approve proposal within certain limit and it is observed to be effective to accelerate the various decisions which otherwise had to wait for Board meeting. The committee met 41 times during the year 2015 and played instrumental role for the Board in approving strategic plans and policy guidelines. Attendance of EC meeting is provided in annexure-II.

Audit Committee

The Audit Committee maintains regular contact with both external and internal auditors and ensures that complaints and observations from the auditors are acted upon. Furthermore, the Audit Committee discusses accounting principles and changes thereto. The Audit Committee consults and advises the Board on the scope of internal audits. The committee keeps under review the scope and results of the audit and its cost-effectiveness and the independence and objectivity of the auditors. The committee ensures transparency and accountability in the operations of the Bank and the activities of the Bank are conducted within framework of policies, principles and plans as laid down by the Board, and the guidelines of the regulatory authorities issued from time to time.

The committee is headed by an Independent Director and comprises two other Directors including another one Independent Director. However, the company secretary is the Secretary of Audit Committee. The committee has unrestricted access to all accounts, books and records to ensure the job is conducted properly. The committee had 5 meetings during the year 2015, based on which the Committee submitted its report to the Board regarding its oversight function.



Risk Management Committee

As per Bank Company Act 1991(amended up to 2013) and subsequent circular issued by Bangladesh Bank, a Risk Management Committee has been formed. The committee headed by a Director and comprises two other Directors. Company secretary is the Secretary of Risk Management Committee. The Committee had 04 meeting in the year 2015.

Directors' Remuneration

The non-executive directors (directors other than Managing Director) of the Board representing shareholders do not take any remuneration or reimbursement of any expenses except fees for attending meetings. The Board members receive only Tk.8000/- for attending the Board/Committee meetings with effect from 21 October 2015 as per BRPD Circular Letter No. 11, earlier it was Tk. 5000/- as per BRPD Circular Letter No. 03, dated 18 January 2010. The fees given to directors are disclosed in the note 28 to the financial statements.

Management

Managing Director is the CEO of the Bank. The CEO and Board of Directors are jointly responsible for the management of the Bank. The Managing Director is responsible for day-to-day operations and in this respect observes the policy and directions of the Board of Directors. The day-to-day operations do not include measures which are unusual or extraordinary. Such measures are only taken by the Managing Director pursuant to special authorization from the Board of Directors unless waiting for a decision from the Board of Directors would seriously disadvantage the operation of the Bank. In such cases, the Board of Directors is promptly notified of the measures. The Managing Director also ensures that Bank's accounts and finances conform to applicable laws and accepted standards. Therefore, being empowered by the Board, Managing Director leads Management consisting of executives of the Bank. Management performs through several committees headed by Managing Director comprising a number of executives of the Bank. The committees are MANCOM, ALCO and Basel Committee etc. Management exercises absolute power in respect of recruitment, posting and promotion of manpower in accordance with Bangladesh Bank's guidelines. In addition, Board has delegated adequate administrative, business and financial power to Management for quick and efficient discharge of Bank's activities.

Financial Reporting, Statutory and Regulatory Reporting

In the preparation of quarterly, half-yearly and annual financial statements, the Bank has complied with the requirements of the Companies Act 1994, Bank Company Act 1991(amended up to 2013) and rules and regulations of Bangladesh Bank, BSEC and Stock Exchanges.

Internal Control

The Board of Directors acknowledges their overall responsibility for the Bank's system of internal control and for reviewing its effectiveness. Internal control is an ongoing process for identifying, evaluating and managing the significant risks faced by the Bank. The Bank has taken all-out efforts to mitigate all sorts of risk as per guidelines issued by Bangladesh Bank. Internal Control & Compliance Division is working towards mitigation of operational and compliance risk of the Bank.

External Audit

M/s. Syful Shamsul Alam & Co., Chartered Accountants is the statutory auditors of the Bank. They do not provide any other accounting, taxation or advisory services to the Bank except certification of cash incentives payable to exporters.

Audit and Inspection by Bangladesh Bank

Bangladesh Bank also undertakes audit & inspection at the Bank as per determined intervals. Compliance with observations and recommendations made by Bangladesh Bank help the Bank to improve internal control, risk management, Corporate Governance and regulatory compliance.

Going Concern Assumption

The Directors confirm that they are satisfied that the Bank has adequate resources to continue to operate for the foreseeable future and is financially sound. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Relations and Communication with Shareholders

The Bank acknowledges and takes necessary steps to provide shareholders with all relevant and reliable information. All relevant information is placed in website of the Bank for convenience of the shareholders.



Moreover, as per BSEC guidelines all the price sensitive information having possible impact on share prices of the Bank are communicated to the shareholders by publication in the national dailies and to the DSE, CSE and BSEC through official letters for appearance in their website. Quarterly Financial Statements are communicated to all the shareholders through DSE, CSE and BSEC. Half-yearly Financial Statements are directly communicated to all shareholders. Audited yearly financial statements are published in two national dailies. Finally, we arrange Annual General Meeting as our statutory duty to give our shareholders parliamentary session to communicate their assertions about the Bank. All the suggestions or recommendations made by the shareholders in AGM or any time during the year are taken very seriously for compliance and better Corporate Governance of the Bank.

Compliance of Regulatory Guidelines

Bangladesh Securities and Exchange Commission (BSEC) issued Corporate Governance guidelines (Notification dated 07 August 2012), on 'comply' basis, for the companies listed with stock exchanges. Through the said notification, BSEC has asked the listed companies to report the compliance status of the said notification in the annual report.

Compliance Report on BSEC Notification

The Board of Directors of Trust Bank Limited has taken appropriate steps to comply with Corporate Governance guidelines issued by BSEC. The details of the conditions are mentioned in Annexure-I, II, III, IV.

Annexure-I

15 meetings of the Board of Directors were held in the year 2015; the attendance of the directors is furnished below:

Sl.	Name of Director	Position	Date of appointment	Present	Leave Granted	Remarks
01	Gen Abu Belal Muhammad Shafiul Huq, ndc, psc	Chairman	25-06-2015	7	-	-
02	Gen Iqbal Karim Bhuiyan, psc	Chairman	25-06-2012	6	2	Resigned from Board on 25-06-2015
03	Maj Gen Md Mahfuzur Rahman rcds, ndc, afwc, psc, PhD	Vice Chairman	26-11-2014	14	1	-
04	Brig Gen KARM Mostafa Kamal ndc, psc	Director	11-02-2009	6	-	Resigned from Board on 31-05-2015
05	Ms. Begum Rokeya Din	Independent Director	28-04-2009	4	-	Resigned from Board on 27-04-2015
06	Mr. Helal Uddin Ahmed	Independent Director	28-04-2009	4	-	Resigned from Board on 27-04-2015
07	Brig Gen Abu Mohammad Munir Alim, psc, G	Director	06-06-2013	13	1	Resigned from Board on 20-12-2015
08	Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc	Director	10-11-2013	13	2	-
09	Brig Gen Kazi ASM Arif, afwc, psc	Director	08-01-2014	15	-	Resigned from Board on 28-12-2015
10	Mr. Ashrafuzzaman Khan	Independent Director	23-02-2014	15	-	-
11	Mr. Shahedul Islam	Independent Director	28-04-2015	8	2	-
12	Mr. M A Haider Hussain	Independent Director	28-04-2015	8	2	-
13	Brig Gen Md. Zakir Hossain, psc, te	Director	01-06-2015	8	1	-



Annexure-II

41 meetings of the Executive Committee were held in the year 2015; the attendance of the Directors is furnished below:

Sl.	Name of Director	Position	Date of appointment	Present	Leave Granted	Remarks
01	Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD	Chairman	26-11-2014	37	4	-
02	Brig Gen KARM Mostafa Kamal, ndc, psc	Member	11-02-2009	18	3	Resigned from Board on 31-05-2015
03	Ms. Begum Rokeya Din	Member	28-04-2009	15	2	Resigned from Board on 27-04-2015
04	Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc	Member	10-11-2013	37	4	-
05	Mr. Ashrafuzzaman Khan	Member	23-02-2014	24	1	Included as EC member on 30-04-2015
06	Brig Gen Md. Zakir Hossain, psc, te	Director	01-06-2015	20	-	-

Annexure-III

The pattern of shareholding of Trust Bank Limited as of 31 December 2015

i) Shareholding by Parent/Subsidiary/Associated Companies and other related parties: Nil

ii) Shareholding by Directors:

Sl. No.	Name of Director	Position	No. of Shares
01	General Abu Belal Muhammad Shafiul Huq, ndc, psc (Sponsor Director) (Representing Army Welfare Trust)	Chairman (Representing AWT)	28,12,92,026
02	Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD	Vice Chairman (Nominated by AWT)	Nil
03	Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc	Director (Nominated by AWT)	Nil
04	Mr. Ashrafuzzaman Khan	Independent Director	Nil
05	Mr. Shahedul Islam	Independent Director	Nil
06	Mr. M A Haider Hussain	Independent Director	Nil
07	Brig Gen Md Zakir Hossain, psc, te	Director (Nominated by AWT)	Nil
08	Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO	MD & CEO	Nil



III) Shareholding by Executives:

Name of the Executives	No. of Share
Chief Executive Officer	Nil
Company Secretary	Nil
Chief Financial Officer	Nil
Head of Internal Audit	Nil
Spouses and Minor children of above Executives	Nil

IV) Shareholding by Other Senior Executives: Nil

V) Shareholders holding ten percent (10%) or more voting interest in the company as on 31 December 2015:
Army Welfare Trust

Annexure-IV

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

(Report under condition no. 7.00)

Condition No.	Title	Compliance Status (has been put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1	Board of Directors			
1.1	Board's Size: Number of Board Members shall not be less than 5 (five) and more than 20 (twenty)	√		
1.2	Independent Directors			
1.2 (i)	At least one fifth (1/5) of the total number of Directors of Board shall be Independent Directors.	√		
1.2 (ii)	Independent Directors means a Director			
1.2 (ii) (a)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1.2 (ii) (b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or Director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company:	√		
1.2 (ii) (c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1.2 (ii) (d)	Who is not a Member, Director or Officer of any Stock Exchange;	√		
1.2 (ii) (e)	Who is not a shareholder, Director or Officer of any Member of Stock Exchange or an intermediary of the capital market;	√		
1.2 (ii) (f)	Who is not a partner or an Executive or was not a partner or an Executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	√		
1.2 (ii) (g)	Who shall not be an Independent Director in more than 3 (three) listed companies;	√		



Condition No.	Title	Compliance Status (has been put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1.2 (ii) (h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution (NBFI);	√		
1.2 (ii) (i)	Who has not been convicted for a criminal offence involving moral turpitude	√		
1.2 (iii)	The Independent Director(s) shall be appointed by the Board of Directors and approved by the Shareholders in the Annual General Meeting (AGM).	√		
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.	√		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	Qualification of Independent Directors			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3 (ii)	The person should be a Business Leader/ Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/ Professionals like Chartered Accountants, Cost & Management Accountants, and Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/ professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			N/A
1.4	Chairman of the Board & Chief Executive Officer (CEO)			
1.4 (i)	The Chairman of the Board and the Chief Executive Officer shall be different individuals. The Chairman shall be elected from among the directors. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the CEO.	√		
1.5	The Directors' Report to Shareholders			
1.5 (i)	Industry outlook and possible future developments in the industry.	√		
1.5 (ii)	Segment-wise or product-wise performance.	√		
1.5 (iii)	Risks and concerns.	√		
1.5 (iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		



Condition No.	Title	Compliance Status (has been put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.			N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.			N/A
1.5 (x)	Remuneration to Directors including Independent Directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	Reason for non-declaration of dividend			N/A
1.5 (xx)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	√		
1.5 (xxi)	Pattern of shareholding and name wise details (disclosing aggregate number of shares)			
1.5 (xxi) (a)	Parent/Subsidiary/Associated Companies and other related parties	√		
1.5 (xxi)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children	√		
1.5 (xxi) (c)	Executives;	√		
1.5 (xxi) (d)	Shareholders holding ten percent (10%) or more voting interest in the company	√		



Condition No.	Title	Compliance Status (has been put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1.5 (xxii)	In case of the appointment/re-appointment of a director the company shall disclose:			
1.5 (xxii)(a)	A brief resume of the director;	√		
1.5 (xxii)(b)	Nature of his/her expertise in specific functional areas;	√		
1.5 (xxii)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
2	Appointment of CFO, HIA and CS			
2.1	Appointment of CFO, HIA and CS and defining their respective roles, responsibilities & duties	√		
2.2	The CFO and the CS shall attend the meetings of the Board of Directors	√		
3	Audit Committee			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	Constitution of Audit Committee			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
3.1 (ii)	The Board of Directors shall appoint Members of the Audit Committee who shall be Directors of the Company and shall include at least 1 (one) Independent Director.	√		
3.1 (iii)	All Members of the Audit Committee should be “financially literate” and at least 1 (one) Member shall have accounting or related financial management experience.	√		
3.1 (iv)	Expiration of the term of service of Audit Committee members making the number lower than 3(three) and fill up the vacancy(ies) by the Board not later than 1 (one) month from the date of vacancy(ies)	√		
3.1 (v)	The Company Secretary shall act as the Secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.	√		
3.2	Chairman of the Audit Committee			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an Independent Director.	√		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		



Condition No.	Title	Compliance Status (has been put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
3.3 (iv)	Oversee hiring and performance of external Auditors.	√		
3.3 (v)	Review along with the Management, the Annual Financial Statements before submission to the Board for approval.	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the Management.	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory Auditors.	√		
3.3 (x)	Disclosure of Audit Committee about the uses/ applications of IPO funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/ prospectus.			N/A
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors	√		
3.4.1 (i)	Reporting to the Board of Directors on the activities of the Audit Committee	√		
3.4.1(ii) (a)	Reporting to Board of Directors on conflicts of interests			N/A
3.4.1(ii) (b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			N/A
3.4.1(ii) (c)	Suspected infringement of laws, including securities related laws, rules and regulations; and			N/A
3.4.1(ii) (d)	Any other matter which shall be disclosed to the Board of Directors immediately.			N/A
3.4.2	Reporting to BSEC (if any material impact on the financial condition & results signed by the Chairman and disclosed in the Annual Report)			N/A
3.5	Reporting to the Shareholders of Audit Committee activities, which shall be signed by the Chairman and disclosed in the Annual Report	√		
4	External/Statutory Auditors The issuer Company should not engage its external/statutory Auditors to perform the following services of the Company namely:			
4 (i)	Appraisal or valuation services or fairness opinions;	√		
4 (ii)	Financial information systems design and implementation;	√		
4 (iii)	Book-keeping or other services related to the accounting records or Financial Statements;	√		
4 (iv)	Broker-dealer services;	√		
4 (v)	Actuarial services:	√		



Condition No.	Title	Compliance Status (has been put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
4 (vi)	Internal audit services; and	√		
4 (vii)	Any other service that the Audit Committee determines.	√		
4 (viii)	No partner or employees of the external Audit Firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	√		
4 (ix)	Audit/Certification services on compliance of corporate governance as required under (i) of condition No. 7	√		
5	Subsidiary Company			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	√		
5 (ii)	At least 1 (one) Independent Director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	√		
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	√		
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	√		
5 (v)	The Audit Committee of the holding company shall also review the Financial Statements, in particular the investments made by the subsidiary company.	√		
6	Duties of the CEO and CFO			
6(i)	The CEO and CFO shall certify to the Board that they have reviewed Financial Statements for the year and that to the best of their knowledge and belief:	√		
6. (i) (a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
6. (i) (b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct	√		
7	Reporting and Compliance of Corporate Governance			
7 (i)	Obtaining certificate from a practicing Professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Guidelines of the BSEC and include in the Annual Report	√		
7 (ii)	Directors statement in the directors' report whether the company has complied with these conditions	√		



COMPLIANCE CERTIFICATE

CERTIFICATE OF THE COMPLIANCE OF CONDITIONS OF THE CORPORATE GOVERNANCE GUIDELINES TO THE SHAREHOLDERS OF Trust Bank Limited

We have examined the compliance of conditions to the Bangladesh Securities and Exchange Commission (BSEC) guidelines on Corporate Governance by Trust Bank Limited (the "Bank") for the year ended 31 December 2015. These guidelines relate to the notification no SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012 of BSEC on Corporate Governance.

The compliance of conditions of Corporate Governance as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the Bank's management.

Our examination for the purpose of issuing this certification was limited to the checking of procedures and implementations thereof as adopted by the Bank's management in ensuring the compliance to the conditions of Corporate Governance and corrects reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations provided to us, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in the above mentioned Guidelines issued by BSEC and reported on the attached status of compliance statement.

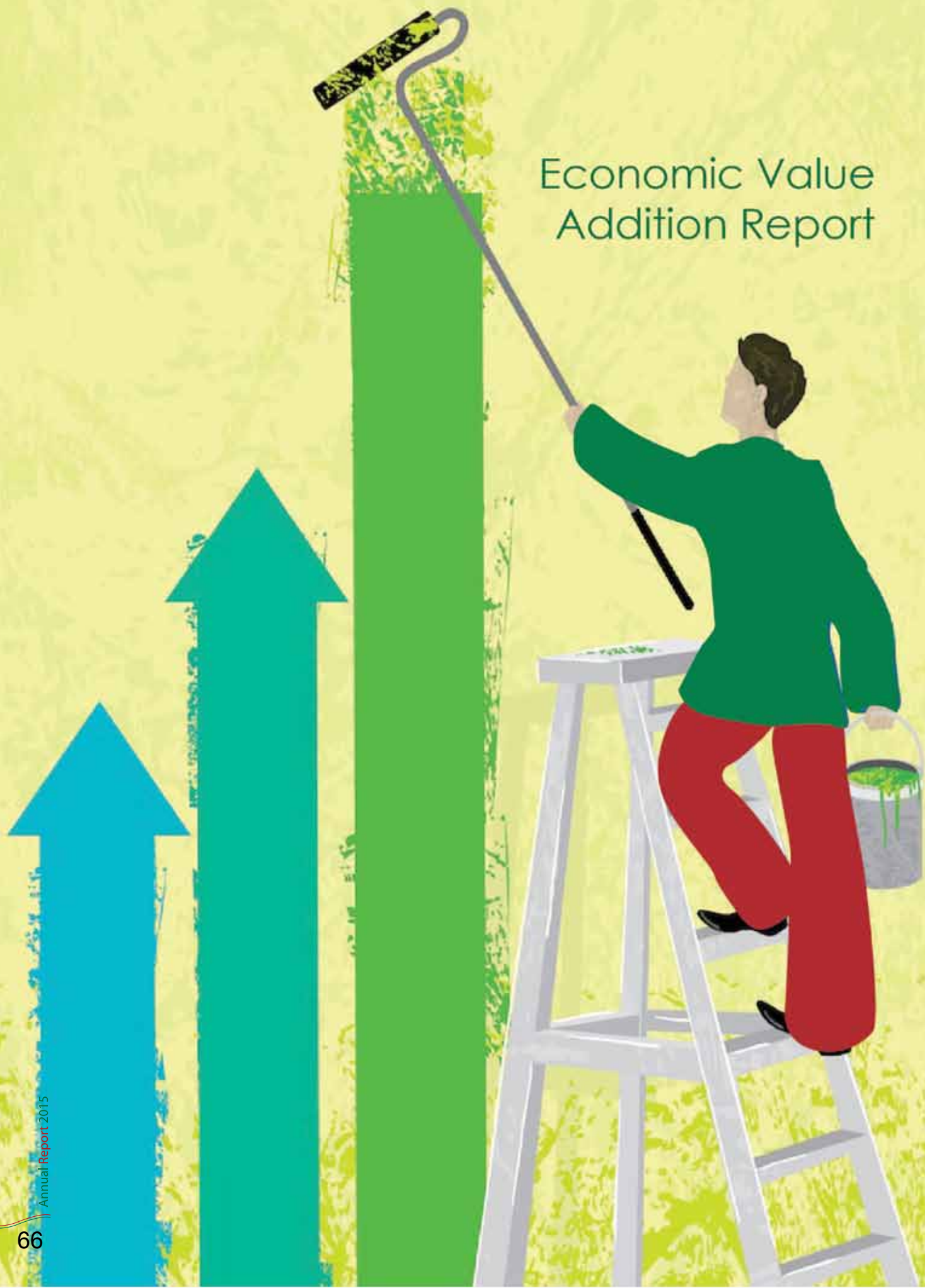
Hoque Bhattacharjee Das & Co.

Dated: Dhaka
March 24, 2016

Hoque Bhattacharjee Das & Co.
Chartered Accountants



Economic Value Addition Report





Trust Bank Limited, at its core, works to enhance the interest of all stakeholders and meet their expectations. A shareholder must get his/her wealth increased via increasing cash flow from dividends and capital gain through price appreciation of shares held by him/her; a depositor must get risk free custody of deposits simultaneously a competitive return on funds; and an employee must get a justified share of income earned by the Bank. Thus, the Bank's overall mission is to deliver optimum value to our customers, employees, shareholders and the nation. Our business strategy is geared towards achieving all of these. The Bank's policy is to deliver optimum value in a manner that is consistent with the highest level of fairness and transparency. Interest of one stakeholder has not been sacrificed on the altar of maximizing interest of another.

For the Bank, it has been a case of building financial value and enhancing the bottom line through fair and ethical means. Building sustainable value of all stakeholders is an important corporate goal.

Capital Management

As part of risk management system, it is the policy of TBL to maintain strong capital adequacy ratio to have sufficient cushion to absorb any unforeseen shocks arising from any potential risk, to ensure long term solvency of the Bank and to help sustainable profit growth of the Bank that maximize value for stakeholders.

At the end of 2015, Bank's regulatory capital stood at Tk. 13,922.32 million as against Tk. 13,419.26 million as at 31 December 2014.

Summary of Total Capital and Capital Adequacy Ratio

Taka in Million

Particulars	2015	2014	Growth
Computation of capital:			
Common Equity Tier I (Going - Concern Capital)	9,700.01	8,461.25	14.64%
Tier II capital (Gone Concern Capital)	4,222.32	4,958.01	-14.84%
Total eligible capital (Tier I & II)	13,922.32	13,419.26	3.75%
Risk weighted assets (RWA)	128,770.20	112,460.10	14.50%
Common Equity Tier I (Going - Concern Capital)	7.53%	7.52%	
Tier II capital (Gone Concern Capital)	3.28%	4.41%	
Total capital (against minimum requirement of 10% of RWA)	10.81%	11.93%	

Maintenance of Net Income Growth

The Bank increased its net profit by 18.68% percent or Tk. 242.45 million to Tk. 1,540.52 million in 2015 from Tk. 1,298.07 million in 2014. The net profit is analyzed in the following table:

Taka in Million

Source of Income	Consolidated		Growth	Solo		Growth
	2015	2014		2015	2014	
Interest Income	13,996.77	12,555.12	11%	13,894.90	12,435.70	12%
Income from Investment	2,157.63	1,890.21	14%	2,010.60	1,840.63	9%
Commission, exchange brokerage	1,256.56	993.18	27%	1,241.01	981.18	26%
Other Operating Income	530.74	514.92	3%	458.05	393.96	16%
Total Income	17,941.70	15,953.43	12%	17,604.56	15,651.47	12%



Distribution of Income	Consolidated		Growth	Solo		Growth
	2015	2014		2015	2014	
Interest paid on deposits and borrowings	10,076.67	9,675.60	4%	10,075.22	9,673.23	4%
Operating expenses	3,591.87	2,672.63	34%	3,508.31	2,600.56	35%
Contribution to Special Reserve Fund	120.00	120.00	0%	120.00	120.00	0%
Total provision	969.84	712.60	36%	777.78	558.56	39%
Provision for taxes	1,642.80	1,474.53	11%	1,583.92	1,399.93	13%
Total Distribution	16,401.18	14,655.36	12%	16,065.23	14,352.28	12%
Net profit	1,540.52	1,298.07	19%	1,539.33	1,299.19	18%

Contribution to National Exchequer

TBL made significant contribution to the government in boosting its revenue collection. As per the prevailing law of the country, the Bank being corporate citizen pays tax and VAT on its own income. Besides, the Bank deducts income tax, VAT and excise duty at source from employees, clients, depositors and suppliers, and deposits the same to the national exchequer. In addition to the Bank's own income tax, the Bank contributed Taka 1,878.44 million to national exchequer as tax, vat, income tax and excise duty deducted at source from employees, clients, and suppliers in the reporting year.

Value Added Statement

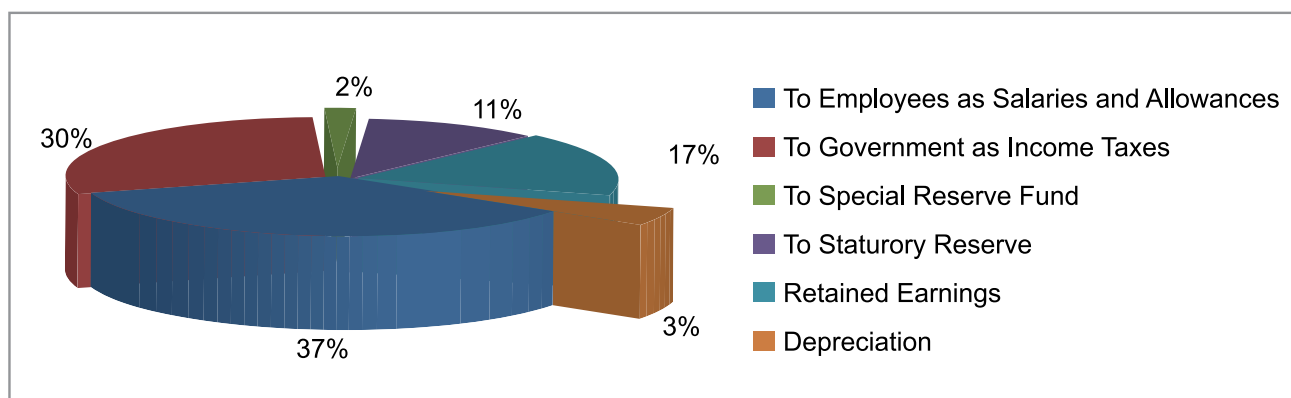
Value added is the wealth created by Trust Bank through its different banking operations. The value added statement of the Bank shows how the value was created and distributed to meet certain obligations, rewards those responsible for its creation and the portion retained for the continued operation and expansion of the Bank.

Taka in million

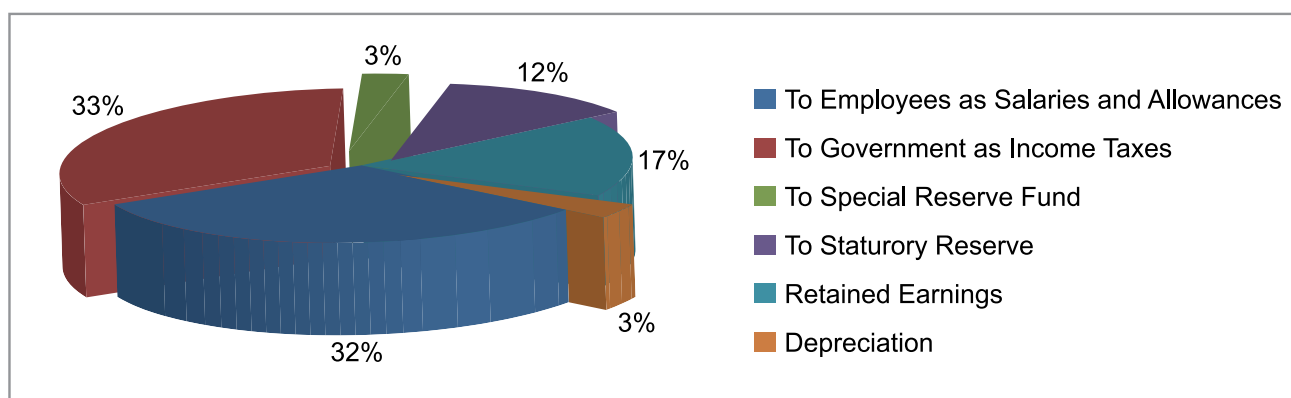
Particulars	2015		2014		Growth
	Taka	%	Taka	%	%
Income from Banking Services	17,604.57		15,651.73		12%
Less: Cost of Services and Supplies	11,400.31		10,728.02		6%
Add: Deferred Tax Income	21.08		20.07		5%
Value added by banking services	6,225.33		4,943.52		27%
Less: Provision for Loan Loss and other Provisions	777.78		558.56		39%
Total Value Added	5,447.55		4,384.96		26%
Distribution of added value					
To Employees as Salaries and Allowances	1,999.72	37%	1,407.95	32%	42%
To Government as Income Taxes	1,605.00	30%	1,420.00	33%	13%
To Special Reserve Fund	120.00	2%	120.00	3%	0%
To Statutory Reserve	624.65	11%	539.82	12%	16%
	4,349.37	80%	3,487.77	80%	25%
Retained Earnings	914.68	17%	759.37	17%	20%
Depreciation	183.50	3%	137.82	3%	80%
Total Expansion & Growth	1,098.18	20%	897.19	20%	
Total Distribution of Added Value	5,447.55	100%	4,384.96	100%	26%



Distribution of Added Value 2015:



Distribution of Added Value 2014:



Economic Value Added (EVA) Statement (Solo Basis)

Economic Value Added (EVA) is used world-wide to measure the performance of an organization. It indicates how much absolute value has been created by the Bank for its shareholders after deducting the minimum rate of return required by the shareholders i.e. cost of equity. The Bank has been consistently able to depict high EVA to its shareholders:

Taka in Million

Particulars	2015	2014
Shareholders' Equity	9,512.05	8,128.69
Add: Provision for loan loss and other provisions	3,687.60	2,909.82
Total invested fund by Shareholders	13,199.65	11,038.51
Average Shareholders' Equity	12,119.08	10,127.78
Net Profit after taxation	1,539.33	1,299.20
Add: Provision for loan loss and other provisions	777.78	558.56
Less: Loan written off	-	-
Earning for the year	2,317.11	1,857.76
Cost of Equity		
(Based on weighted average rate of Sanchaya Patra issued by Bangladesh Govt. plus 2% risk premium)	12.29%	12.90%
Cost of Average Equity	1,488.95	1,306.48
Economic Value Added	828.16	551.28



Market Value Added Statement

Market value added is the difference between the total market value (based on the price quoted in the main bourse of the country) of equity and the total book value of equity of the Bank at the 31 December of the year.

Taka in million

Particulars	2015	2014
Total market value of the equity	11,298.73	6,179.99
Less: Total book value of the equity	4,688.27	4,262.06
Market Value added	6,610.46	1,917.93



Pangsha Branch of Trust Bank Limited was inaugurated on April 16, 2015. Major General S M Matiur Rahman, afwc, psc was the chief guest on the occasion.



Five Years Financial Summary

Particulars	2015	2014	2013	2012	2011
Operating Results (Solo Basis)					
Total Operating Income	7,529.34	5,978.24	3,725.32	3,000.84	3,060.47
Total Operating Expense	3,628.31	2,720.56	2,176.61	1,843.41	1,499.89
Operating Profit	3,901.03	3,257.68	1,548.71	1,157.43	1,560.58
Provision For Loans, Investment and Other	777.80	558.56	532.66	463.61	256.38
Profit Before Tax	3,123.25	2,699.12	1,016.05	693.83	1,304.20
Profit After Tax	1,539.33	1,299.20	324.43	182.70	616.21
Financial Positions (Solo Basis)					
Authorized Capital	10,000.00	10,000.00	10,000.00	10,000.00	5,000.00
Paid-Up Capital	4,688.27	4,262.06	3,805.41	3,459.47	2,661.13
Total Shareholders' Equity	9,512.05	8,128.69	6,865.78	6,512.89	5,526.76
Deposits	150,854.20	125,059.13	102,467.67	82,997.33	65,819.51
Loans And Advances	130,614.65	106,886.08	79,279.58	54,616.06	50,801.74
Total Liabilities	170,717.52	137,217.43	109,873.79	88,747.89	70,688.46
Investments	24,262.21	19,352.22	19,023.49	13,622.11	9,654.68
Fixed Assets	827.55	603.64	483.79	454.95	421.23
Earning Assets	154,765.83	125,783.39	99,026.94	79,626.50	63,120.66
Total Assets	180,229.57	145,346.12	116,739.57	95,260.78	76,215.22
Other Business					
Import	74,255.59	77,421.44	44,450.92	43,138.39	37,879.65
Export	48,928.87	39,622.45	25,740.38	34,319.48	28,543.65
Foreign Remittance	24,214.99	16,174.03	13,164.65	11,082.25	10,603.33
Guarantee Issued	12,523.94	7,447.73	7,367.36	2,058.01	1,794.58
Capital Measures (Consolidated Basis)					
Total Risk Weighted Assets	128,770.20	112,460.10	91,968.20	74,339.80	72,945.30
Common Equity Tier I (Going - Concern Capital)	9,700.01	8,461.25	7,163.18	6,841.21	5,860.18
Tier II capital (Gone-Concern Capital)	4,222.31	4,958.01	3,634.94	3,462.62	2,777.22
Total Capital	13,922.32	13,419.26	10,798.11	10,303.83	8,637.40
Common Equity Tier I (Going - Concern Capital) Ratio	7.53%	7.52%	7.79%	9.20%	8.03%
Tier II capital (Gone Concern Capital) Ratio	3.28%	4.41%	3.95%	4.66%	3.81%
Total Capital Ratio	10.81%	11.93%	11.74%	13.86%	11.84%
Credit Quality (Solo Basis)					
Non-Performing Loans	3,588.48	2,614.76	2,470.36	2,503.84	1,534.31
% Non-Performing Loans	2.74%	2.45%	3.12%	4.58%	3.02%
Share Information					
Market Price Per Share	24.10	14.50	20.00	25.00	42.90
Earning Per Share	3.28	2.77	0.85	0.55	2.32
Price Earning Ratio	7.35	4.69	4.26	2.21	5.40
Net Asset Per Share	20.29	19.07	18.04	18.83	20.77
Other Information					
Cost Income Ratio	48.19%	45.51%	58.43%	61.43%	49.01%
Return on Average Equity	17.45%	17.33%	4.85%	3.02%	11.68%
Return on Average Assets	0.85%	0.89%	0.28%	0.21%	0.92%
No of Branches	101	91	82	72	62
No of SME/AGRI Branches	6	6	6	7	7
No of Foreign Correspondent	25	24	24	24	24

Directors' Report



Dear Shareholders

The Board of Directors has the privilege of welcoming you to the 17th Annual General Meeting of Trust Bank Limited. The Directors take immense pleasure in presenting the Directors' Report, along with the audited financial statements of the Bank for the year ended on 31 December 2015 and the Auditor's Report thereon for your consideration and approval.



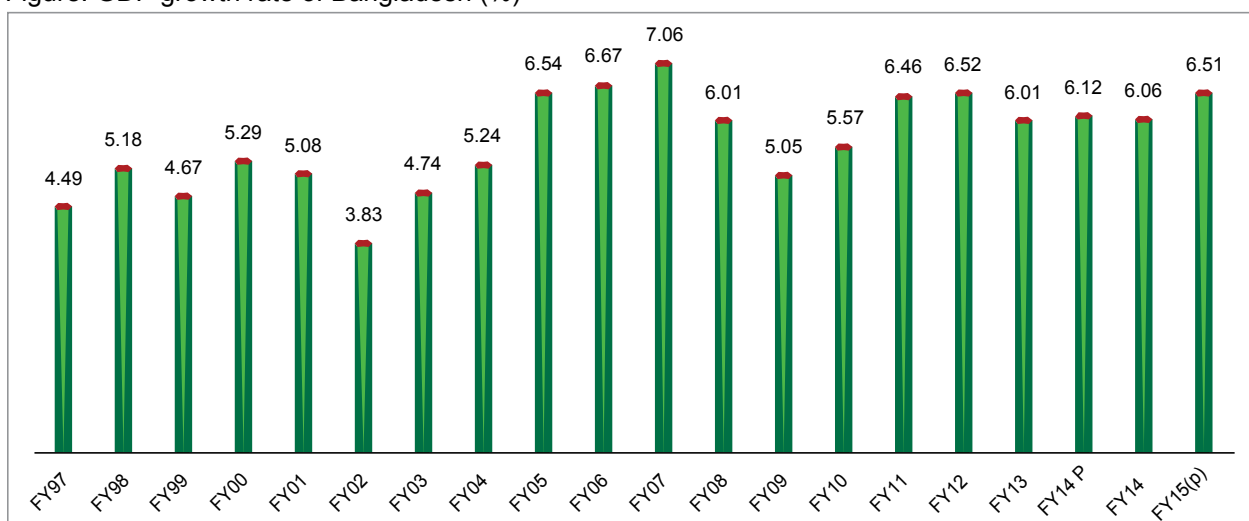
External Environment Review

Bangladesh's fiscal year 2014-15 (FY2015) closed with a number of macroeconomic advantages including lower inflation, declining interest rate, stable exchange rate, manageable fiscal deficit, positive balance of payment and augmented foreign exchange reserves. The low level of global commodity prices including that of oil has also provided some respite in terms of resources needed to meet subsidy demands. Developing countries of Asia managed to accelerate their growth rates, with India and the ASEAN countries being in the lead (ADB, 2015). On the other hand, the major economies in the global economic frontier (i.e. the United States of America, countries in the European Union, and Japan) are growing at an uneven pace, limiting the global growth prospects to only 3% in 2015, as projected by the World Bank (2015).

Gross Domestic Product (GDP)

On the basis of FY 2005-2006; as per provisional calculation by BBS; GDP growth rate expected to reach at 6.51% in FY 2015. In FY2015, at current market price GDP stood at BDT 15,135,997 Million which is 12.65% higher from last FY2014 GDP. In FY2015, GDP per capita is USD 1,235 and GNI per capita is USD 1,314.

Figure: GDP growth rate of Bangladesh (%)

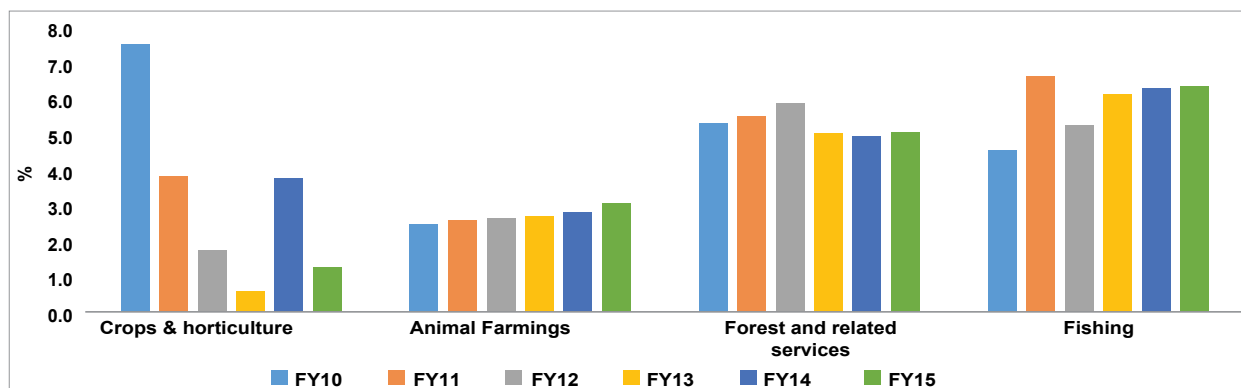


Agriculture

On the basis of FY 2005-2006, in FY2015, as per provisional calculation by BBS total production of food grains was 383.49 lac metric tons which was 381.74 lac metric tons in FY2014. In FY2015, 28.43 lac metric tons of food grains were imported where 0.72 lac metric tons (only wheat) by government sector and rest 27.71 lac metric tons was imported by private sector (rice and wheat). Government did not import Rice in FY2015. Moreover, due to excess production 25,000 metric tons rice was exported to Srilanka for the first time.

Fisheries sector contributed 3.69% in GDP in FY2015. This sector holds 23% of total income from Agricultural sector. In FY2014 fisheries sector production was 35.48 lac metric tons and the target for FY2015 was 37.03 lac metric tons. Globally Bangladesh stands 4th in fisheries production.

Figure: Agricultural Sector Growth





Industry

Contribution of industry sector in GDP has been increasing steadily. As per provisional calculation In FY2015, industrial sector's contribution is 30.42% which was 29.55% in FY2014. Growth in the industrial sector has remained close to the Sixth Five Year Plan (SYFP) target. Manufacturing, which dominates the industrial sector, maintained a consistent level of growth during FY2011-2013. However, growth slowed in the second half of the Plan period due to a lack of an enabling environment, particularly as a result of political instability in FY2014 and FY2015. In contrast, mining and quarrying; electricity, water and gas maintained a moderate level of growth. Strikingly, production of gas performed dismally throughout the Plan period.

Growth in the manufacturing sector is mainly led by medium and large scale enterprises. Despite various efforts over the Plan period, the performance of small scale enterprises has been underwhelming, raising doubts over the efficacy of various initiatives and incentives that have been provided to small enterprises. Due to political unrest in FY2014 and the first half of FY2015, industrial production for domestic oriented market has suffered more compared to export-oriented market. According to CPD (2015), the disruption of January-March 2015 resulted in a total economic loss of approximately 0.4 % of GDP.

Sectors	FY10	FY11	FY12	FY13	FY14	FY15 (P)
<i>Projected</i>						
Industry	N/A	9.2	9.6	9.9	10.5	11.5
Manufacturing	N/A	9.5	9.8	10.1	10.7	11.7
<i>Actual</i>						
Industry	7.0	9.0	9.4	9.6	8.2	9.6
Mining and quarrying	8.1	3.6	6.9	9.4	4.7	7.5
Manufacturing	6.6	10.0	10.0	10.3	8.8	10.3
Large & medium scale	6.3	11.1	10.8	10.7	9.3	10.2
Small scale	8.2	5.7	6.6	8.8	6.3	10.7
Electricity, gas and water supply	10.0	13.4	10.6	9.0	4.5	7.0
Electricity	10.5	15.8	11.0	9.7	4.5	6.9
Gas	8.8	0.1	7.4	5.9	1.7	5.7
Water	5.8	8.2	10.9	4.8	10.9	10.3
Construction	7.2	7.0	8.4	8.0	8.1	8.6
Services	5.5	6.2	6.6	5.5	5.6	5.8

Power & Energy Sector

Development of the power sector is one of the major policy priorities of the present government. During the Plan period, power generation capacity increased from 3,267 MW in 2009 to 11,203 MW in 2015. However, this still remains below the target of 15,757 MW. Various measures undertaken over the Plan period have contributed to increase power generation capacity, its availability and its accessibility. In contrast, development of the gas sector is far behind target, falling short of the required level of growth. Currently 68% of the total population is enjoying electricity facility (including renewable energy).

Power & Energy Sector	FY10	FY11(E)	FY12	FY13	FY14	FY15(P)
Electricity and gas	10.0	13.4	10.6	9.0	4.5	7.0
Electricity	10.5	15.8	11.0	9.7	4.5	6.9
Gas	8.8	0.1	7.4	5.9	1.7	5.7

Savings & Investment

Domestic savings & national savings estimated to be 22.30% and 29.01% of total GDP respectively. National savings reduced by 0.22% from FY2014. Overall investment increased, thanks to public sector investment which increased from 6.55% to 6.90% of total GDP.



Inflation

Food inflation in FY2014 was on the upward trend which began to fall in the beginning of FY2015. On point to point basis in July 2014 overall inflation was 7.04% which reduced to 6.32% in April 2015. Food inflation reduced to 6.48% in April 2015 which was 7.94% in July 2014 whereas non-food inflation reached at 6.08% from 5.71% during the same period. During FY14-FY15 average inflation was 6.45%. The lower rate was caused by satisfactory internal production and stable international oil price. The overall inflation is expected to be within 6.5% in FY15.

Interest Rate

In recent times deposit and lending rate both have reduced drastically. In January 2015 weighted average loan rate was 12.32% which was 13.39% in January 2014. During the same period weighted average deposit rate was 7.26% and 8.40% respectively. On November 2015, weighted average deposit further fell to 6.46% and weighted average loan rate fell to 11.27%. Interest rate spread was 5.06% in January 2015 which stood at 4.81% as on November 2015.

Export

The sluggish economic growth of US and European Zone could not deter the growth of our country's export earnings. In FY2013 and FY2014 export growth rate was 11.22% and 11.69% respectively. In FY2014-2015, the first nine month (July 2014-March 2015) total export was USD 22,904.75 million which was 2.98% more than the same during of the previous fiscal year. Growth rate of two major export items readymade garment and knitwear were 3.47% and 3.64% respectively in the beginning of the year 2015. Other significant growth rate was achieved by chemical products (20.18%), leather items and shoes (14.81%), handloom products (17.51%) and engineering products (30.68%). However, growth rate of frozen food items (6.72%), petroleum bi-products (61.60%), leather (20.26%) and raw jute (9.59%) reduced. Among the export destinations, 18% were exported to USA, 15.6% to Germany, 9.7% to UK and 5.55% to France.

Import

In the first nine months of FY14-15, import expenditure stood at USD 33,056 million which was 12.24% higher than the same period of previous year. Import of capital machineries have increased by 30.38% which indicates a positive environment for investment.

Remittance

In the first nine months (July-March) of FY14-15, 326,299 Bangladeshis went abroad as expatriate worker which is 9.87% higher than the same during of previous fiscal year. Remittance earning increased by 7.21% and stood at USD 11,252.40 million. Government has taken various measures to export skilled workers to different destinations including creating new export destinations, strengthening the 'Prabashi Kalyan Bank' and development of skilled workforce to compete in the international market.

Foreign Exchange Reserve

Lower growth of export and acceleration of import has resulted in a negative current account balance. However, our foreign exchange reserve is still building due overall surplus in the economy. On June 2015 foreign exchange reserve was USD 25,025 million which stood at USD 27,493 million in December 2015. This reserve is sufficient to cover 6 months' import expense of our country.

Banking Sector in 2015

Cash Reserve Ratio (CRR)

Cash Reserve Ratio (CRR) is a specified minimum fraction of the total deposits of customers, which commercial banks have to hold as reserves either in cash or as deposits with the central bank.



Cash Reserve Ratio (CRR) for the scheduled banks in Bangladesh was 6.5% which was same as the previous year's requirement. This ratio is maintained on the average time & demand liabilities of the bank. According to the latest MPD circular No. 01 of Bangladesh Bank dated June 23, 2014 banks are required to maintained at least 6.00% of the average time & demand liabilities of the on daily basis and minimum 6.5% on bi-weekly basis with effect from July 24, 2014. The percentage of cash i.e., CRR maintained by our bank as on December 31, 2015 was 6.59%.

Statutory Liquidity Requirement (SLR)

Amount of liquid assets such as precious metals (Gold) or other approved securities, which a financial institution must maintain as reserves other than the cash.

Statutory Liquidity Requirement (SLR) for the scheduled banks in Bangladesh, except banks operating under Islamic Shariah and the specialized banks, has been set at 13% of their average demand & time liabilities, excluding inter-bank items, since December 11' 2010. The percentage of SLR maintained by our bank as on December 31, 2015 was 17.22%.

Non-Performing Loan (NPL)

The most important indicators intended to identify problems with asset quality in the loan portfolio is the ratio of gross non-performing loans (NPLs) to total loans and net NPLs to total loans. Development finance institutions (DFIs) have the highest and Private Commercial Banks (PCBs) have the lowest ratio of gross NPLs to total loans. The gross NPLs to the total loans of the State-owned Commercial Banks (SCBs), Development finance institutions (DFIs), Private Commercial Banks (PCBs), Foreign Commercial Banks (FCBs) i.e., Specialized Banks were recorded as 21.9%, 25.5%, 5.7%, and 8.2%, respectively at the end of FY 2015. Although all ratios of NPL to total loans of all banks have been decreased compare to the year 2014. The ratio ended up 9.7% at the end of FY 2015.



Inauguration ceremony of Trust Bank Limited, Corporate Head Office at Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate.



Activities of Trust Bank Limited

Business Operation & Strategy

Our Business Focus

The principal activities of the Bank are banking and related businesses under the Bank Company Act 1991(amended up to 2013). The core banking businesses include accepting deposits and granting loans and advances out of those deposits and earning profit through creating value from gap between interest paid on deposits and interest earned on loans and advances. The depositors supply funds for loans and advances. The Bank collects deposits through deposit mobilization strategy comprising various deposit products under Conventional banking and islamic banking. The Bank's central revenue producing activities include all kinds of commercial banking products and services to the customers including project finance, working capital finance and trade finance for corporate customers, SME loans to small traders & business; house building loan, car loan as well as wide range of life style and need based loans for retail customers. The Bank has been able to develop state-of-the-art IT platform and online banking systems facilitating any branch banking, phone banking, SMS banking, internet banking, any time banking for 24 hours a day and 7 days a week through ATM.

Client as Trusted & Development Partner

We look after our every client to make him/her a development partner through addressing their needs and wants by providing best services at affordable prices. We put a client in the ladder where he/she climbs customer-supporter-advocate phases and finally becomes development partner of the Bank. Our mission is customer focused and we consider it as the customers' right to get modern, online and full range of banking services at an affordable price at anytime and anywhere. We are promise-bound through our mission to make the banking easy for our customers and support entrepreneurship, social responsibility and economic development of the country.



Lt Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD, former Vice Chairman of Trust Bank Limited inaugurated the Centennial Branch of Trust Bank Limited as chief guest at Mohammadpur, Dhaka on August 30, 2015.



Corporate Branding

Trust Bank Limited strives to have a strong brand presence in the current banking industry. Having a strong brand, a bank can innovate and modify its products and services with ease, compete in intense competition, thrive during economic downturns and attract the new customers. A strong brand can't be built by the branding department alone; every employee in every department of the bank has a significant role to play. Therefore, Trust Bank believes all employees must feel connected and committed to the brand and understand their role in placing the brand in the customers' heart by providing sincere service and information. Trust Bank Limited promotes its brand name meeting up every stakeholder's expectation to the bank. We are working on to uphold the brand image in such a way that brings out mutual benefit to the bank and every stakeholder related to the Bank. The brand image depends not only on the service what we provide but also how we provide. We always keep our customers and well-wishers informed of our activities through press releases in different print and electronic media. We also use social media in addition to the conventional ones like daily newspapers or televisions for advertising our products and services as well.

It also enhances our brand image through being a sponsor in several social and educational events like job fairs, science fairs of renowned school, college and universities, national level debate competitions, social awareness programs and cultural programs etc.

Trust Bank Limited has already earned a remarkable place in banking arena through its distinctive products and services which leads to positive word of mouth of the satisfied customers that helps us to solidify the bank's brand image and makes us different from other banks in the country.

Cluster Management

Here in TBL we run the bank through an effective and efficient Cluster Management system. Every branch gets enough specialized support through the channels of Cluster Management. Our high quality cluster management is important to ensure excellence of the bank. The cluster Heads/ Managers monitor and supervise the overall activities of a cluster. The performance of the branches is linked to the professional expertise and capabilities of cluster members. Currently, there are 12 clusters in TBL which are run by efficient and expert Cluster Managers who mainly do the followings:

- Manage clusters with unprecedented ease
- Perform risk-free upgrades
- Simplify administration

Regulatory and Compliance Culture

The Bank's dealings with clients are guided by principle of fair dealings, honesty and integrity. The Bank's objective is to observe all standards of market integrity, good practice and conduct expected by participants in the markets in which it operates. The personal conduct of the staff is driven by high ethical standards. The Bank furthermore places great emphasis on safeguarding the confidentiality of client information. Internal Auditors are entrusted with responsibility to ensure that rules and policies relating to above mentioned issues are in place. Above all, the Bank is committed to prompt and spontaneous compliance of all rules, regulations and guidelines issued by regulators from time to time.

Financial Performance Review

Summary

The Bank earned Consolidated Operating Income of Tk. 7,865.02 million for the year 2015. After keeping Tk. 969.84 million as provision against classified and unclassified Loans and Advances, diminution in the value of Investment, Off-Balance Sheet exposure and other assets, pre-tax profit stood at Tk. 3,183.32 million for the year 2015, and net profit of the Bank after tax stood at Tk. 1,540.52 million for the year 2015.

Interest Income

Trust Bank earned Consolidated Interest Income plus Profit on Islamic Banking Investment for Tk. 13,996.77 million during the year 2015 as against Tk. 12,555.12 in 2014 registering a growth of 11.48% or Tk.1,441.65 million. The healthy growth in Interest Income came as a result of maintenance of sound portfolio, high yielding loan products, proper management of placement fund and efficient utilization of fund.



Interest Expenses

Consolidated Interest and Profit paid on Deposits and Borrowings measured at Tk. 10,076.67 million as against Tk. 9,675.60 million in 2014 showing a rise by 4.15% which was 10.36% in 2014. This year Interest Expenses increased due to increase in deposits amount of the Bank. Significant Interest was paid on various long term and short term deposit accounts during the year 2015.

Net Interest Income

The Consolidated Net Interest Income showed Tk. 3,920.10 million as against Tk. 2,879.52 million in the preceding year. During the year, Net Interest Income increased by Tk. 1,040.58 million representing a positive growth of 36.14% which was the main contributor to the operating income for the year 2015.

Income from Investment

In the year 2015, Consolidated Income from Investment was Tk. 2,157.63 million where as it was Tk. 1,890.21 million in the year 2014. Tk. 267.42 million increased from last year, main income arises from Treasury Bonds and Commercial Paper.

Non-Interest Income

The Non-Interest Income consists of the commission, exchange and other operating income of the Bank. Consolidated Non-Interest Income of the Bank was Tk. 1,787.30 million in 2015 where as it was Tk. 1,508.10 million in 2014 and main reasons of increasing the same was constant growth in Export/Import business.

Total Operating Expenses

Consolidated Operating Expenses excluding contribution to Special Reserve Fund increased by 34.39% during the year mainly due to increase in number of branches and Salary & Allowances which was triggered by promotion and recruitment. Total Consolidated Operating Expenses shown in Profit and Loss account was amounting to Tk. 3,711.87 million in 2015 compared to Tk. 2,792.63 million in the previous year. Salary & allowances constituted 54.86% of total of Operating Expenses in 2015 and there was 41.81% increase in Salary & Allowances in the year 2015 compared to the year 2014.

Income Mix and Growth

Particulars	Taka in Million		Growth
	2015	2014	%
Interest income / Profit on investment	13,996.77	12,555.12	11.48%
Interest / Profit paid on deposits and borrowings etc.	10,076.67	9,675.60	4.15%
Net interest income	3,920.10	2,879.52	36.14%
Investment Income	2,157.63	1,890.21	14.15%
Non Interest Income	1,787.30	1,508.10	18.51%
Total operating income	7,865.02	6,277.83	25.28%
Total operating expenses (Excluding Contribution to Special Reserve Fund)	3,591.87	2,672.63	34.39%
Profit before provision	4,273.16	3,605.20	18.53%
Provision for loans & advances / investments, Diminution in value of investment and Others	969.84	712.60	36.10%
Contribution to Special Reserve Fund	120.00	120.00	0.00%
Total Profit before Taxes	3,183.32	2,772.60	14.81%
Provision for Taxation (Current & Deferred)	1,642.80	1,474.53	11.41%
Net Profit after Taxation	1,540.52	1,298.07	18.68%



Profit before Provision

Consolidated Operating Profit before Provision was Tk. 4,273.16 million in the year 2015 where as it was Tk. 3,605.20 million in the year 2014 before considering contribution to Special Reserve Fund. After accounting for contribution to Special Reserve Fund of Tk. 120.00 million in 2015, the operating profit stood at Tk. 4,153.86 million in 2015 compared to Tk. 3,485.20 million in 2014.

Provision for Loans and Off-Balance Sheet Exposure

During the year 2015, consolidated provision for loans and advances was Tk.947.26 million compared to Tk. 561.40 million in the year 2014 and increased by Tk. 385.86 million. Provision for Diminution in value of Investment has been decreased by 74.98 million during the year 2015 compared to the year 2014. Provision for unclassified loan not exceeding 1.25% of credit RWA is considered a part of Tier-II Capital of the Bank.

Profit before Taxes

After making above provision, Consolidated Net Profit before Tax of the Bank stood at Tk. 3,183.32 million in 2015 compared to Tk. 2,772.60 million in 2014 which refers 14.81% growth.

Provision for Income Tax

Consolidated Provision for Income Tax for the current year stood at Tk. 1,664.39 million against Tk. 1,495.17 million in 2014. However, net provision for Income Tax was Tk. 1,642.80 million after accounting for Deferred Tax of Tk. 21.60 million in 2015.

Net Profit after Tax

Consolidated Net Profit after Tax stood at Tk. 1,540.52 million in the year 2015 from Tk. 1,298.07 million in the year 2014 and Earnings per Share was Tk. 3.29 in the year 2015 whereas it was TK. 2.77 in the year 2014.

Dividend

The Board of Directors of the Bank recommended 8% stock dividend, i.e. 8 (eight) Bonus Shares for every 100 (One Hundred) Shares held and 7% cash Dividend considering the results achieved in the year 2015.



On behalf of Army Welfare Trust (AWT), Lt Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD, former Vice Chairman receiving a Dividend Warrant for the year 2014 from Managing Director of The Bank.



Financial Position Review

Summary

Despite various external challenges, Bank's overall businesses grew significantly in 2015 over that of 2014. Deposits of the Bank increased by 20.56% and stood at Tk. 150,901.57 million at the end of year 2015. Consolidated Loans and Advances increased by 19.96% and stood at Tk. 133,654.19 million at the end of the year 2015 compared to year 2014. Investment increased significantly by Tk. 5,520.96 million showing growth of 27.16% compared to year 2014.

Total Assets

Consolidated Assets of the Bank stood at Tk. 181,906.23 million in 2015 as against Tk. 147,893.41 million in 2013 registering a growth of 23%. Increase in Assets was mainly driven by significant growth of customer's deposits. The growth of deposits was used for funding growth in credit and investment. Loans and Advances constituted 73.47% of total assets while investment in government and other instruments held 14.21% of the total assets. Balance with other banks and financial institutions held at 2.78% of total assets. Moreover, other assets which are very current in nature made up 1.37% of total assets leaving only 0.46% of total assets tied up in fixed assets including premises, furniture and fixtures. The above common size analysis showed that almost 91.84% of total assets of the Bank are utilized in different earning assets along with fixed assets and others leaving 7.70% in liquid form for meeting cash withdrawal demand of customers and maintaining Cash Reserve Ratio (CRR) requirement of Bangladesh Bank.

Summary of Property & Assets:

Particulars	Taka in Million		Growth %	Asset Mix	
	2015	2014		2015	2014
Cash in hand & Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	14,002.61	10,753.96	30.21%	7.70%	7.27%
Balance with other Banks & FIs	5,063.09	2,355.84	114.92%	2.78%	1.59%
Money at call and short notice	-	-	-	0.00%	0.00%
Investments	25,847.69	20,326.73	27.16%	14.21%	13.74%
Loans and Advances/Islamic Banking Investments	133,654.19	111,412.53	19.96%	73.47%	75.33%
Fixed assets including premises, furniture and fixtures	838.49	617.11	35.87%	0.46%	0.42%
Other assets	2,500.16	2427.23	3.00%	1.37%	1.64%
Total Assets	181,906.23	147,893.40	23.00%	100.00%	100.00%

Cash in Hand and Balance with Bangladesh Bank & its Agent Banks including Foreign Currencies

As at 31 December 2015, Consolidated Cash in Hand and Balance with Bangladesh Bank & its agent banks (including foreign currencies) stood at 14,002.61 million as against Tk.10,753.96 Million of 2014 registering a growth by Tk. 3,248.65 Million or 30.21%. This increase in cash attributed to maintaining Cash Reserve Ratio (CRR) with Bangladesh Bank and to providing uninterrupted cash services to our growing customers. However, this asset remains 7.70% of the total assets in the year 2015.

Balance with Other Banks and Financial Institutions

The International Banking Division of the Bank has to maintain some Short Term Deposit (STD) accounts and Current Deposit (CD) accounts with other banks in and outside the country for smooth functioning of the treasury operations and international trade finance. The Bank also places excess fund with other banks and financial institutions as term deposits for optimizing the profit of the Bank. As at 31 December 2015, to proper use of the fund, consolidated balance outstanding with other banks and financial institutions was Tk. 5,063.09 million as compared to Tk. 2,355.84 million at the end of 2014.



Investments

At the end of year 2015, Bank's investments stood at Tk. 25,847.69 million showing an increase by 27.16% as compared to that of 2014. The reason for increase was attributable to investment in treasury bonds, treasury bills, Bangladesh Bank bills, Commercial papers. Out of total investments, Tk. 22,352.80 million was invested in government securities and the rest amount i.e. Tk. 3,494.89 million was invested in different listed and unlisted securities, Commercial Papers and Corporate Bonds.

Loans and Advances

Consolidated Loans and Advances of the Bank as on 31 December 2015 was Tk. 133,654.19 million as against Tk. 111,412.53 million in the year 2014, showing an increase by almost 19.96% over the preceding year. The Loans and Advances cover up the areas of corporate (based on both Conventional and Islamic Shariah Mode), SME, Retail and Credit Card. The credit portfolio of the Bank also included mix of scheme loans, namely- Renovation & Reconstruction of Dwelling House Loan (RRDH), Consumers Durable Scheme Loan (CDS), Marriage Loan, Car Loan, HBF Loan and Commercial Loan. Corporate lending is still the core business of the Bank and continues to remain the major segment of the business. While providing loans to our customers, the policy of Bangladesh Bank is strictly followed. The portfolio has been further diversified to avoid risk of single industry concentration and remains in line with the Bank's credit norms relating to risk quality. The Customer Relationship has been strengthened and frequent visits to the clients have been ensured for further cementing existing relationship.

Total Liabilities

Total Liabilities of the Bank comprise of broad three items such as Borrowing from other Banks, Financial Institutions and Agents, Deposits and other liabilities. Consolidated balance of liabilities of the Bank stood at Tk. 172,059.69 million at the end of year 2015 as against Tk. 139,431.42 million in 2014, representing a rise of 23.40%. Deposits constituted 82.96% of total liabilities of the Bank.

Summary of Liabilities & Capital:

Particulars	Taka in Million		Growth	Liability Mix	
	2015	2014	%	2015	2014
Liabilities:					
Borrowings from other banks, financial institutions and agents	12,935.17	6,891.75	87.69%	7.11%	4.66%
Deposits and other accounts	150,901.57	125,163.19	20.56%	82.96%	84.63%
Other liabilities	8,222.95	7,376.48	11.48%	4.52%	4.99%
Total Liabilities/Non Owner's Claims on the Total Assets	172,059.69	139,431.42	23.40%	94.59%	94.28%
Capital/Shareholders' Equity:					
Paid-up Capital	4,688.27	4,262.06	10.00%	2.58%	2.88%
Statutory Reserve	3,333.69	2,709.04	23.06%	1.83%	1.83%
Other Reserve & Share Premium	57.87	76.31	-24.16%	0.03%	0.05%
Retained Earnings	1,766.71	1,414.57	24.89%	0.97%	0.96%
Total Shareholders' Equity/Owner's Claims on the Total Assets	9,846.54	8,461.98	16.36%	5.41%	5.72%
Total Liabilities & Shareholders' Equity	181,906.23	147,893.40	23.00%	100.00%	100.00%

Deposit Portfolio

In the year 2015, Consolidated Deposits of the Bank shot up by 20.56% to Tk. 150,901.57 million from Tk. 125,163.19 million as recorded in the year 2014. The combination of competitive interest rates, depositor's trust



in the Bank and mobilization efforts of the Bank Management resulted in the growth of deposits. Mix of deposits showed that fixed deposits contributed 61.70% total deposits. The Bank's deposits include the deposits from both conventional and Islamic banking deposit vehicle.

Type of Deposits	Taka in Million		Growth	Deposit Mix	
	2015	2014	%	2015	2014
Current / Al-wadeeah current accounts and other accounts	16,951.85	17,780.34	-4.66%	11.23%	14.21%
Bills payable	1,287.91	1,036.52	24.25%	0.85%	0.83%
Savings bank / Mudaraba savings deposits	18,521.41	11,743.06	57.72%	12.27%	9.38%
Fixed deposits / Mudaraba term deposits	93,099.95	76,063.43	22.40%	61.70%	60.77%
Short Notice Deposits / Mudaraba Short Notice Deposits	13,772.66	7,439.04	85.14%	9.13%	5.94%
Special Deposits Scheme	7,267.78	11,100.80	-34.53%	4.82%	8.87%
Total	150,901.57	125,163.19	20.56%	100.00%	100.00%

Borrowing from Other Banks, Financial Institutions and Agents

Borrowing represents the Long Term Borrowings from Unsecured Subordinated Non-Convertible Bond and Bangladesh Bank Refinance. The balance stood at Tk. 12,935.17 million at the end of year 2015 as against Tk. 6,891.75 million in 2014. Borrowings increased significantly due to borrowings of Bangladesh Bank (EDF & IPFF)

Shareholder's Equity

Total Consolidated Shareholder's Equity increased by 16.36% and stood at Tk. 9,846.54 million at the end of year 2015 as against Tk. 8,461.98 million in the year 2014. Item wise details of Shareholder's equity are given below:

Particulars	Taka in Million		Changes
	2015	2014	%
Paid-up Capital	4,688.27	4,262.06	10.00%
Statutory Reserve	3,333.69	2,709.04	23.06%
Other Reserve & Share Premium	57.87	76.31	-24.16%
Retained Earnings	1,766.71	1,414.57	24.89%
Total Shareholders' Equity/Owner's Claims on the Total Assets	9,846.54	8,461.98	16.36%

Statutory Reserve

In accordance with the provision of the Bank Companies Act 1991, minimum 20% of operating profit before tax is required to be transferred to Statutory Reserve. In the year 2015, 20% of Profit before Tax amounting to Tk. 624.65 million was transferred to Statutory Reserve and thus balance of Statutory Reserve stood at Tk. 3,333.69 million at the end of year 2015.

Asset Quality

Trust Bank Limited has structured approval process in its Head Office level for approving credit facilities. However, some delegation is also conferred to Branches for allowing specific credit facilities with proper documentation formalities and compliance. Our consolidated non-performing asset increases from 2.45% to 2.74% during the year 2015. The asset quality may be termed as strong. Moreover, our endeavor towards regularization as well as conversion of our existing Non- Performing loans into performing ones for maintaining the assets quality of the bank is continuing through identifying, managing and mitigating risk associated with lending.



Asset Quality:

Particulars	Consolidated			Solo		
	2015	2014	Changes %	2015	2014	Changes %
Unclassified Loans	130,065.71	108,797.77	19.55%	127,026.17	104,271.32	21.82%
Standard	124,010.45	104,905.68	18.21%	120,970.90	100,379.23	20.51%
SMA	6,055.26	3,892.09	55.58%	6,055.26	3,892.09	55.58%
Classified Loans	3,588.48	2,614.77	37.24%	3,588.48	2,614.76	37.24%
Sub-standard	484.18	357.53	35.42%	484.18	357.54	35.42%
Doubtful	633.68	214.77	195.05%	633.68	214.77	195.05%
Bad/Loss	2,470.62	2,042.46	20.96%	2,470.62	2,042.46	20.96%
Total Loan	133,654.19	111,412.53	19.96%	130,614.65	106,886.08	22.20%
NPL (%)	2.68%	2.35%	14.40%	2.74%	2.45%	11.84%

Capital Management Plan

The Board of Directors is contemplating to maintain a strong capital base to support business growth to comply with regulatory requirement and to obtain good credit rating as well as CAMELS rating. A strong capital base is also considered as a cushion to absorb any unforeseen shock arising from credit, operations and market risks. The amount of minimum capital that should be maintained by the Bank against its risk-weighted assets is measured by the Capital Adequacy ratio laid down by Basel Capital Accord. Capital Adequacy is measured by the ratio of the Bank's Capital to Risk Weighted Assets both on Balance Sheet and Off Balance Sheet transactions. All assets have been assigned weights ranging from 0% - 100%. Off Balance Sheet items are included in the computation by converting them into Balance Sheet equivalents before being allocated a risk weight. Bank's capital has two components Common Equity Tier I (Going - Concern Capital) and Tier II capital (Gone Concern Capital).

Common Equity Tier I (Going-Concern Capital)

The Consolidated Common Equity Tier I (Going-Concern Capital) was 7.53% of total Risk Weighted Assets at the end of the year 2015. Common Equity Tier I represents the Paid Up capital, Minority Interest, Statutory Reserve and Retained Earnings. As on 31 December 2015, our Consolidated Common Equity Tier I (Going-Concern Capital) stood at Tk. 9,700.01 million against Tk. 8,461.25 million in 2014. The Tier I Capital constituted 69.63% of total Capital while Paid up Capital constituted almost 47.71% of total Shareholder's Equity.

Tier –II Capital (Gone Concern Capital)

Tier –II Capital (Gone Concern Capital) of the Bank represents General Provision (not exceeding 1.25% of Credit RWA), Subordinated Bonds and Revaluation Reserve of Held to Maturity Securities (50% of such Reserve). At the close of business on 31 December 2015, our Consolidated Tier –II Capital (Gone Concern Capital) al stood at Tk. 4,222.32 million as against Tk. 4,958.01 million in 2014.

Total Regulatory Capital

At the end of 2015, Consolidated Regulatory Capital stood at Tk. 13,922.32 million against Tk. 13,419.26 million in 2014 registering a growth of almost 3.60% over the preceding year. And Consolidated Capital Adequacy Ratios were 10.81% and 11.93% of Total Risk Weighted Assets in 2015 and 2014 respectively against the Regulatory requirement of 10% for each year.

Credit Rating

Credit Rating Agency of Bangladesh (CRAB) assigned long term credit rating of the Bank at AA2 in 2014 and short term rating ST-2. These ratings imply the strong fundamentals of the Bank in the areas of stability of fund, profitability, business growth, diversified-portfolio and loan loss coverage etc. Long term rating of AA2 indicates very high investment grade and short term rating ST-2 indicates high certainty of timely payment of financial obligations.

The credit rating of Trust Bank Limited based on financial statements for year ended 31 December 2015 is under process and will be published in due course.



Retail Banking

Trust Bank Ltd. ventured into the competitive field of commercial retail business through establishment of the Retail Banking Division in 2006. In this short span of time, Retail Banking has grown to its capacity and potential in terms of technology, human resources, product quality and business process. Considering its scope of growth and continuous success in taping new market segments Retail Asset Business was partially centralized in September 2014. In the year 2015, RBD has developed new products both in deposit and asset, enhanced and revised existing products in accordance to demand of market, launched 02 successful campaigns, won recognition from Banking Industry and earned significant revenue in terms of portfolio growth.

2015: Major Retail Activities

Asset: at a glance...

In the year 2015, Retail Banking Division has focused on strengthening the asset base to increase its portfolio. To keep the products competitive in current market scenario, RBD has revised and enhanced PPG of different products to best suit the market demand. As on 31.12.2015, the Total retail asset portfolio stands at BDT 13,922 million (Taka Thirteen Thousand Nine Hundred and Twenty Two Million Only) which is 9.26% growth from 2014. A particular success has been in achieving positive growth in Unsecured Loan portfolio. A remarkable cumulative growth of 17.18% with outstanding amount of BDT 7,624 million (Taka Seven Thousand Six Hundred and Twenty Four Million Only) was achieved for unsecured loan products. While, the Secured Loan with outstanding amount of BDT 6,298 million (Taka Six Thousand Two Hundred and Ninety Eight Million Only) has also experienced a positive growth.

Furthermore, to thrust their endeavor in increasing asset base, an asset campaign was successfully launched in 2015.

Existing Asset Products

Unsecured Loan: (1) Reconst & Repairing of Dwelling House (RRDH) Loan, (2) Loan Against Commutation Benefit (LACB), (3) Marriage Loan Scheme (MLS), (4) Any Purpose Loan - Defense Off., (5) Education Loan - Defense Off., (6) Doctors' Loan - Defense Off., (7) Household Durable - Defense Off., (8) Marriage Loan Scheme (MLS) for other ranks, (9) Doctor's Loan, (10) Loan Against Salary, (11) Trust Thikana, (12) Trust Digital Loan, (13) Personal Loan (PL), (14) Trust Futuretech, (15) Loan for ECMC OKP-9 Personnel.

Secured Loan: (1) Apon Nibash Loan (House Building Loan), (2) Car Loan, (3) Car Loan - Defense Off., (4) House Building Loan (Registered Mortgage), (5) House Building Loan for Retired defense Officer (mortgage), (6) Army Officers Housing Scheme Loan, (7) Army Officers Housing Loan Scheme-2, (8) Army Officers Housing Loan Scheme-3.

New Asset Product:

In 2015, with the launch of another new product "Loan for ECMC OKP-9 Personnel", RBD took another successive step towards the bank's dedication to inclusive banking. Keeping in mind RBD's motto of launching a diverse product for every segment of the economy, this special product is targeted to the contingent of 250 personnel under ECMC- Engineer Construction and Maintenance Contingent (OKP-9) of Bangladesh Army who will be going in deputation for Kuwait Army under (4) four years contract. In this regard, bank has also signed an MoU with Works Directorate, E in C's Branch, Army Headquarter and ECMC (OKP-9) from Bangladesh Army.

Liability/Deposit: at a glance...

2015 was a significant year for Retail Liability/deposit Products. 5(Five) new deposit products were launched each targeting different segments of the economy, reaching out to more unreached sects. Trust Bank Ltd has signed MoU with Rapid Action Battalion (RAB) to provide personnel salary account with other financial services. In addition, a liability campaign was launched in 2015, which turned out to be successful beyond expectation.

Existing Liability/Deposit Products:

Saving Account: (1) Trust Porua Account, (2) Trust Sristi Account, (3) Trust Unfixed Deposit, (4) Trust Payroll, (5) Trust Sohopathi, (6) Trust Pothokoli, (7) Defense Personnel Salary Account (DPSA), (8) Savings Account



For Farmers, (9) Savings Account for Workers of Small Footwear & Leather Products Industries, (10) Savings Account for Workers of Ready-Made Garments, (11) Savings Account for Cleaning Staffs of Dhaka City Corporation, (12) Rapid Action Battalion (RAB) Forces Personnel Salary Account (RFPSA).

Deposit Scheme Account: (1) Trust Assurance Deposit Scheme (TADS), (2) Trust Maxmill, (3) Trust Echo, (4) Trust Echo Plus, (5) Trust Jhinuk, (6) Trust Smart Savers Scheme (TSSS), (7) Lakhopoti Saving Scheme, (8) Trust Money Double Scheme (TMDS), (9) Trust Kotipati Scheme, (10) Trust Kotipoti Plus

New Liability/Deposit Products:

A record number of 05 (five) new liability products were developed. The PPG for the following products were successfully launched and implemented in 2015: (1) Account For Farmers (2) Savings Account for Workers of Small Footwear & Leather Products Industries (3) Savings Account for Workers of Ready-Made Garments (4) Savings Account for Cleaning Staffs of Dhaka City Corporation and (5) Rapid Action Battalion (RAB) Forces Personnel Salary Account (RFPSA). The diversity of each of these products and their target group reflects the bank's commitment to reach out to the unbanked with its customized retail products.

Product Development:

In the year 2015, the retail banking division has developed PPG for 05 (Five) new deposit products and 01 (One) asset product targeted to meet their respective niche. The diversity of each of these products reflects the dedication and research work of the Product Development team to reach out to the unbanked segments of population. The team has also successfully designed and launched 01 (One) Deposit Campaign and 01 (One) Asset Campaign in the mentioned calendar.

Payroll Banking:

2015 has been a staggering year for Payroll Banking. The number of account holders has almost doubled. Compared to the previous year's 8,832 (Eight Thousand Eight Hundred and Thirty Two) accounts, in 2015 the number has risen to 15,966 (Fifteen Thousand Nine Hundred and Sixty Six), with a yearend balance of BDT 269 million (Two Hundred and Sixty Nine Million Only). The figures reflect customers' growing confidence in TBL product in the competitive market scenario.



Benazir Ahmed, Director General of Rapid Action Battalion (RAB) and Ishtiaque Ahmed Chwodhury, Managing Director and CEO of Trust Bank Limited exchanging documents after signing an agreement for Digital Salary Disbursement.



Financial Literacy:

Financial literacy at young age plays a vital role to create a generation for future that is involved and active in formal financial sector. As a part of Financial Literacy plan, Retail Banking Division has focused on all segments- Street children, school children and adult students are all included in the banking process. Trust *Pothokoli* is devoted to street children while Trust *Porua* and Trust *Jhinuk* are dedicated to school children. As a part of their long run Financial Literacy plan, RBD has developed Trust *Shohopathi* for adult students over 18 years of age. Each product is a clear reflection of RBD's carefully designed long run Financial Literacy plan and commitment to inclusive banking.

School Banking:

In 2015, Trust *Porua* has reached 6,888 (Six Thousand Eight Hundred and Eighty Eight) accounts while the deposit product Trust *Jhinuk* has reached 1,514 (One Thousand Five Hundred and Fourteen) accounts with a balance of BDT 55 million (Taka Fifty Five Million Only) & BDT 31 million (Taka Thirty One Million Only) respectively. As of 31st December, 2015 balance under school banking product is BDT 86 million (Taka Eighty six million only).

Trust Pothokoli Account:

This saving account dedicated to encompass the segment of the youngsters that are left behind in the race of life due to poverty and social prejudice. These accounts are created through an NGO called *Manob Sheba O Shamajik Unnoyon Shangstha* (MSOSUS) located in Khulna. As on 31st December 2015, the number of active *Pothokoli* Accounts is 275 (Two Hundred and Seventy Five) with outstanding balance of BDT 55,000 (Taka Fifty Five Thousand Only).

Trust Shohopathi Account:

As a part of Financial Literacy Plan, RBD continues to support the Trust *Porua* A/C holder as make transition from school to higher studies, through childhood to adulthood. In the year 2015, the number of Shohopathi A/C holder has risen to 577 (Five Hundred and Seventy Seven) with the yearend balance of BDT 4.44 million (Taka Four and Half Million only).

Retail Banking Events

Asset Campaign, "Beat the Heat":

The successful Asset Campaign "Beat the Heat" was launched during the summer of 2015 which has brought fresh disbursement of more than BDT 566 million (Taka Five Hundred and Sixty Six Million Only) from retail loans within 05 (Five) months. Positive appreciation from management also encouraged wide spread participation of TBL employees thus involving all employees in RBD's business activity. The success of the campaign also ensures positive advertising in the industry as TBL is slowly emerging as key player in the market of Retail Products.

Liability/Deposit Campaign "Boishakhi Utshob":

To ensure a balance asset growth, a positive volume of deposit is required. Therefore before launching the Asset Campaign in summer, in April 2015, a deposit campaign named "*Boishakhi Utshob*" was launched. It was targeted to boost up the growth of fund including positive growth in account along with volume, both high and low cost accounts of TBL. The campaign brought exceptional results exceeding all expectations. A net growth of BDT 14,168 million (Taka Fourteen Thousand One Hundred and Sixty Eight Million Only) was achieved in just 3 months time with a total of 29,431 (Twenty Nine Thousand Four Hundred and Thirty One) numbers of new accounts being opened, a staggering 12.13% growth in liability portfolio in 3 months time.

School Banking Activities:

Throughout the year 2015, massive School Banking Activities were undertaken by RBD and also gained widespread recognition for their endeavors to promote school banking.

1. **School Banking Conference:** As a part of School Banking Campaign, throughout 2015, RBD has actively participated in School Banking Conference organized by Bangladesh Bank around the country. In three different conferences held in Barisal, Bogra and Mymensing respectively, they have effectively showcased school banking products and taken part in seminars. TBL has also achieved the Runner Up award for Best Stall in the Conference held in Mymensing.



2. **School Banking Campaign in Kanchpur:** This campaign was organized locally through Kanchpur Branch, in the premises of the local school- Singha Public School. The School Banking products were introduced to local students and received tremendous response.



Trust Bank Limited receiving the Runner-up award for Best Stall in the School Banking Conference held in Mymensing.

Banking Fair 2015:

The first ever 05 (Five) days long Banking Fair was held in 2015 organized by Bangladesh Bank, where all Banks and Financial Institutions took part enthusiastically. Retail Banking took this opportunity to get closer to its customer and showcase their products. Particularly, the third day of the fair was dedicated to School Banking, where RBD took part through Keraniganj Branch. The minor clients of the branch, students of Zinzira P.M. Pilot Higher Secondary School & College took part in the seminar and spoke about their banking experience with TBL in front of top management of Bangladesh Bank and other respected audience.



Participation of TBL in Banking Fair Bangladesh – 2015



Trust Youniverse & Loyalty:

In 2015, particular attention has been given to the Loyalty for TBL card holders. To revitalize the competitiveness of retail products, Retail Banking Division has signed MoU with several organizations, as a promotional offer with discounts & special benefits for the TBL clients under Trust *Youniverse* Program. The Loyalty team has succeeded in signing favorable MoU with a total of 33 (Thirty three) new organizations of different genres, including: 7 (Seven) Health Care, 10 (Ten) Life Style, 9 (Nine) Dining and 7 (Seven) Leisure & Fun organizations. Up till 2014, there were only 16 (Sixteen) MoU agreements with different organizations, which now remarkably stand at 49 (Forty nine). This special facility is available under Trust *Youniverse* program for all TBL card holders. This will add to the quality and competitiveness of retail products in the growing consumer market.

Centralization of Asset Business:

2015 was Retail Banking Division's first full year with partially centralized Retail Asset Portfolio, processing asset files sourced by DSR. Centralization has expedited the process of loan file processing as a result making the asset products more attractive to customers. The initial screening of applications centrally has helped to reduce processing of faulty loans, number of loan files being declined and eventually less default accounts in recovery and collection. After centralization, Retail Banking has recruited and engaged a growing number of Direct Sales Representatives (DSR) for the business team to provide potential customers with over the top customer service experience. Thus the success of centralization is reflected in the positive growth of the Retail Sales Portfolio and increasing satisfied customer base.

SME Banking

Cottage, Micro, Small and Medium Enterprises (CMSMEs) can play an indispensable role for overall economic development of a country especially for developing countries like Bangladesh. The sector is labor intensive with short gestation period, is capable of increasing national income as well as rapid employment generation, achieving Sustainable Millennium Development Goals (MDGs) especially eradication of extreme poverty and hunger, gender equality and women empowerment. As a glorious example, SME sector has played a vital role in economic development of some prosperous countries in Asia.

In developing countries; the development of CMSMEs is generally believed to be a desirable end in view of their perceived contribution to decentralized job creation and generation of output. SME constitutes the dominant source of industrial employment in Bangladesh (80%), and about 90% of the industrial units fall into this category. The actual performance of SME, however, varies depending on the relative economic efficiency, the macro-economic policy environment and the specific promotion policies pursued for their benefit. Though the SME sector is gradually becoming a rising industrial sector of our country and contributing more and more to our export, this sector faces several common problems like lack of technical know-how, shortage of long-term financial support, lack of skilled workers, marketing link, Research & Development, knowledge on safety measures, hygiene, environmental pollution, etc. We need to acquire proper institutional knowledge in the fields of technological and managerial education and more research work for the sector's rapid development.

Considering the importance of SME sector in the economy of Bangladesh, the Present Government as well as Central Bank (Bangladesh Bank) has adopted policy strategies for smooth and sustainable development of SMEs in all over the country taking it as 'the driving force for industrialization'.

In light of Bangladesh Bank directives, Trust Bank Limited initiated its SME program in the year 2009 by formulating an individual SME policy. We also introduced SME Help Desk and Women Entrepreneur Dedicated Desk. Currently, our SME business expansion and monitoring is being carried out through its 100 country wide branches and 07 SME/ Krishi Branch / service centers with the full support of dedicated SME business division. Trust Bank, SME Division is working with an aim to expand the SME portfolio up to 25% of its total loans and advances within next 05 years.

SME Loan Products (at a glance)

Trust – Muldhon: Loan for Shopkeepers and Traders

Trust – Projukti: Loan for Light Engineering

Trust – Bunon: Loan for Power Loom and Handloom and other Allied Industries

Trust – Shufola: Loan for Bio-Gas, Solar Panel, Solar Mini-Grid, Solar Irrigation Pumping System, Livestock, Fisheries, Vermin Compost & Agro-Processing

Trust – Ekota: Group Loan with Cluster approach



Trust – Nondini: Loan for Women Entrepreneurs

Trust – Sukonnaya: Loan for Women Entrepreneurs under group/individual with cluster approach in Jessore & Hill-tracts areas

Trust - Easy pay: Loan for Contractors

JICA Loan Fund: Loan for SMEs engaged in Manufacturing and Service sector but preferably Manufacturing/Industrial Sector

Trust – Nobeen: Loan for new entrepreneur having adequate technical education and/or skills, has not been involved with any business activity except the present one and who has not availed any loan facility from any Financial institutions for business purpose

Trust - Prantik: Any Bangladeshi Marginal Farmers, Ward/Moholla/Village based Micro/Small entrepreneur and Professionals of Tk.10/- account holders

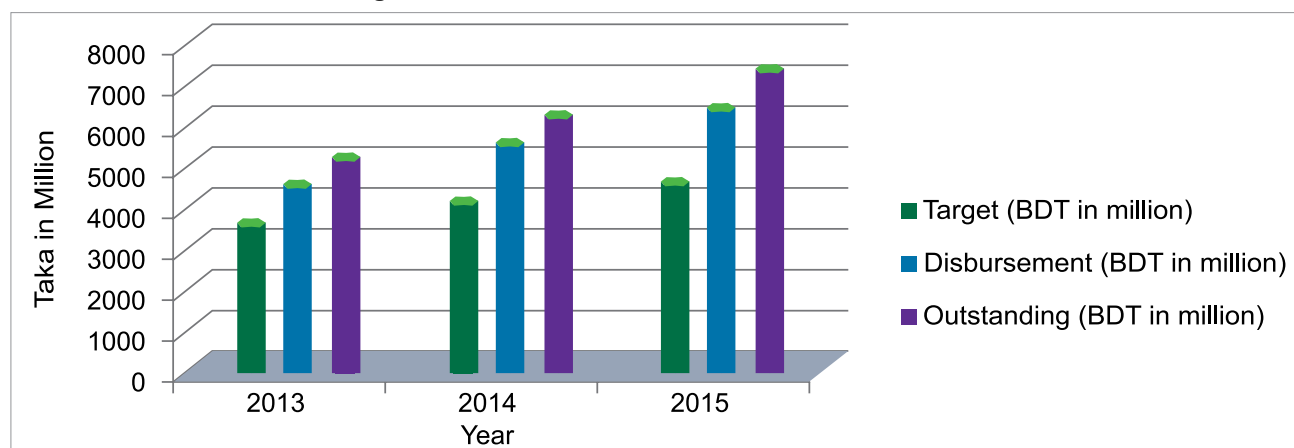
In addition to the above products we have also Peak seasons loan and SME (others)

Year 2015: Major Composition of SME Financing

SME Loans & Advances

Different initiatives, appropriate SME loan products and borrowers friendly SME policy of TBL contributed to a positive business growth in SME portfolio. Our SME loan disbursement in the year end of 2015 was Tk.6365.50 million which is 17% higher than that of the preceding year.

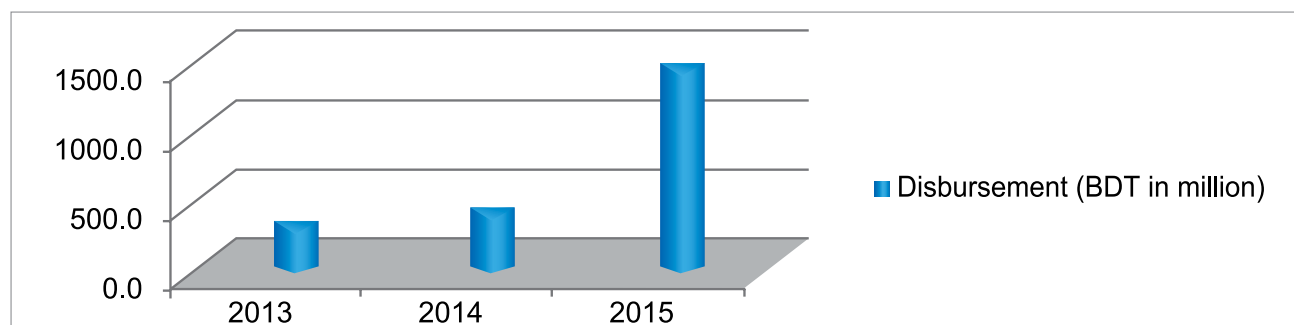
SME Loan Disbursement Target & Achievement



SME Cluster Financing

A cluster may be defined as a local agglomeration of enterprises (mainly SMEs but often also including some large enterprises) which are producing and selling a range of related and complementary products/services. For example, leather and leather products manufacturing enterprises at Hazaribag of Dhaka is treated as the cluster of leather goods. Clusters are identified considering various factors such as-geographical area, product or service etc. Trust Bank's strategy is to focus on Cluster-base financing under SMEs for diversification of investment in different sectors viz. power loom, Handloom, light engineering, handicrafts, Nakshi kantha, garments accessories, etc. Our SME cluster financing as of 31st December, 2015 was Tk.1377.87 million.

SME Cluster Finance

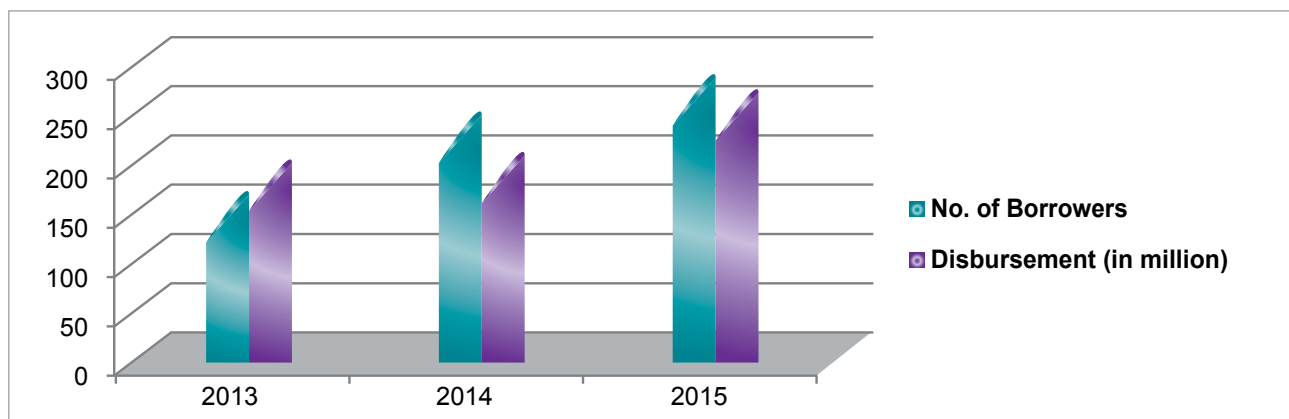




SME Women Entrepreneurs' Loan

Women participation in the mainstream of economy is crucial for attaining sustainable economic growth & poverty reduction. Although the women have the degree of integrity, devotion, creativity and expertise, participation of women entrepreneurs in SME sector is still very low. Trust Bank is offering two loan products specifically designed for the women entrepreneurs' at low rate of interest. We also introduced a women entrepreneur development unit at Head Office and Women Entrepreneur Dedicated Desk at Branch level. Our SME Women Entrepreneurs' Loan disbursement as of 31st December, 2015 was Tk.308.70 million which is 57% higher than that of the corresponding year.

SME Women Entrepreneurs' Loan



Capacity Building Training Program for Women Entrepreneurs



A Training session for Capacity Building of the prospective new Women Entrepreneurs under Cluster-07 held in Khulna.



Loan Disbursement Program for Women Entrepreneurs

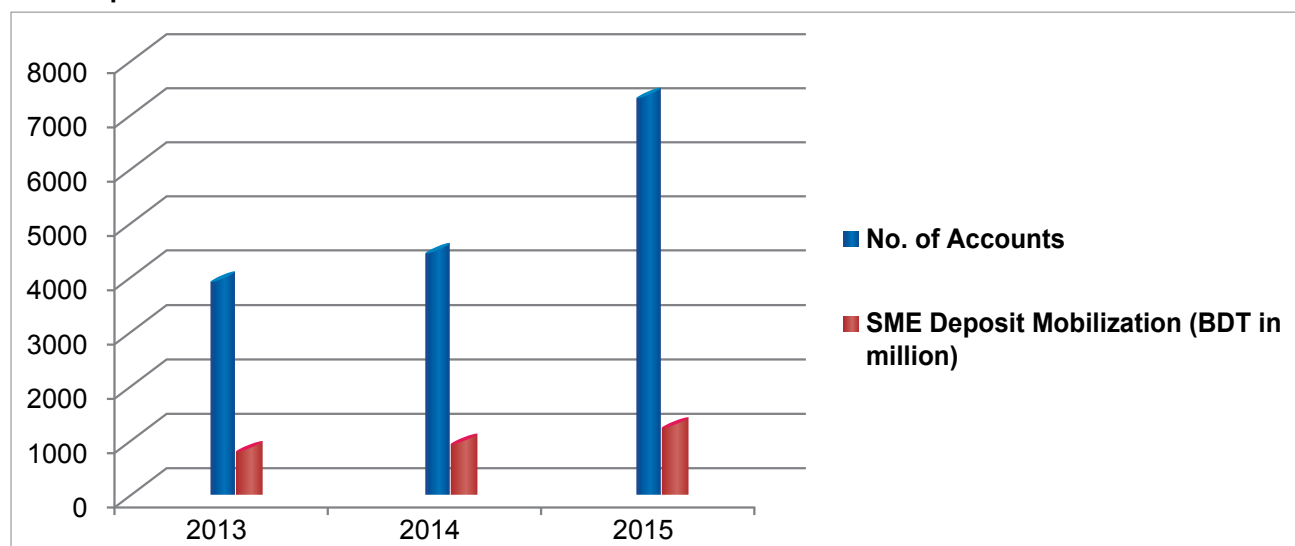


Honorable Governor of Bangladesh Bank handed over a cheque to the Women Entrepreneur at our Cox's Bazar Branch under SME finance at Cox's Bazar.

SME Deposit Mobilization

It is worthwhile to note that only few years back, almost 50% of banks deposits sourced from small and medium depositors, but, small and medium enterprises only obtained 30% of SME loans against the deposits. Our SME Deposit Mobilization in the year 2015 was Tk.1169.05 million. Although this amount is 36% higher than that of the preceding year, it is only 10% of total SME loans.

SME Deposit Growth



SME Promotional Activities-2015

Trust Bank Limited has undertaken a number of activities for growth and development of SME financing. We have introduced as many as 13 SME products; of which 03 cluster based products, 02 for targeting the Women Entrepreneurs and 02 products are for the new entrepreneurs and the small farmers. TBL throughout the year has actively participated in a number of promotional activities such as seminars, fairs, workshops associated with SME issues.



Mr. Ishtiaque Ahmed Chowdhury, Honorable Managing Director & CEO of the Bank along with other officials visited the stall of TBL in the launching program of 'IamSME of Bangladesh' held at Radisson Blu Water Garden Hotel, Dhaka.



Training Session on 'Capacity Building on Overall SME Sector' was arranged by SME Division for the TBL employees at Trust Bank Training Academy, Head Office, Dhaka. Mr. Swapan Kumar Roy, General Manager, SME & Special Programs Department, Bangladesh Bank was the guest speaker of the session.

Agriculture Financing

Agriculture is the main driving force of the economy of Bangladesh. It has a great contribution (around 16%) to the Gross Domestic Product (GDP) of Bangladesh. Food security of the massive population of Bangladesh is directly related to the agriculture and the development of agriculture sector. Around 70 percent of the total population is directly or indirectly engaged in a wide range of agricultural activities. Agriculture sector is the single largest contributor to income and employment generation and a vital element in the country's challenge to achieve self-sufficiency in food production, reduce rural poverty and foster sustainable economic development. The performance of this sector has an overwhelming impact on major macroeconomic objectives like employment generation, poverty alleviation, human resources development and food security. The Government of Bangladesh has provided top most priority to the agriculture sector especially on food crops to increase the production of cereals by giving subsidy to the farmers on different inputs such as fertilizer, irrigation, bank finance, etc. to achieve self-sufficiency in food.



In line with Government efforts, Bangladesh Bank also continued its proactive policy and program support to boost up agricultural production. Bangladesh Bank declared its annual agricultural/ rural credit policy and program for FY2015-16 with mandatory disbursement target. It has continued its earlier decision relating to 2.5 percent mandatory farm-credit disbursement by Banks and NBFIs. Bangladesh Bank's intensive monitoring system as a whole is making the program more effective.

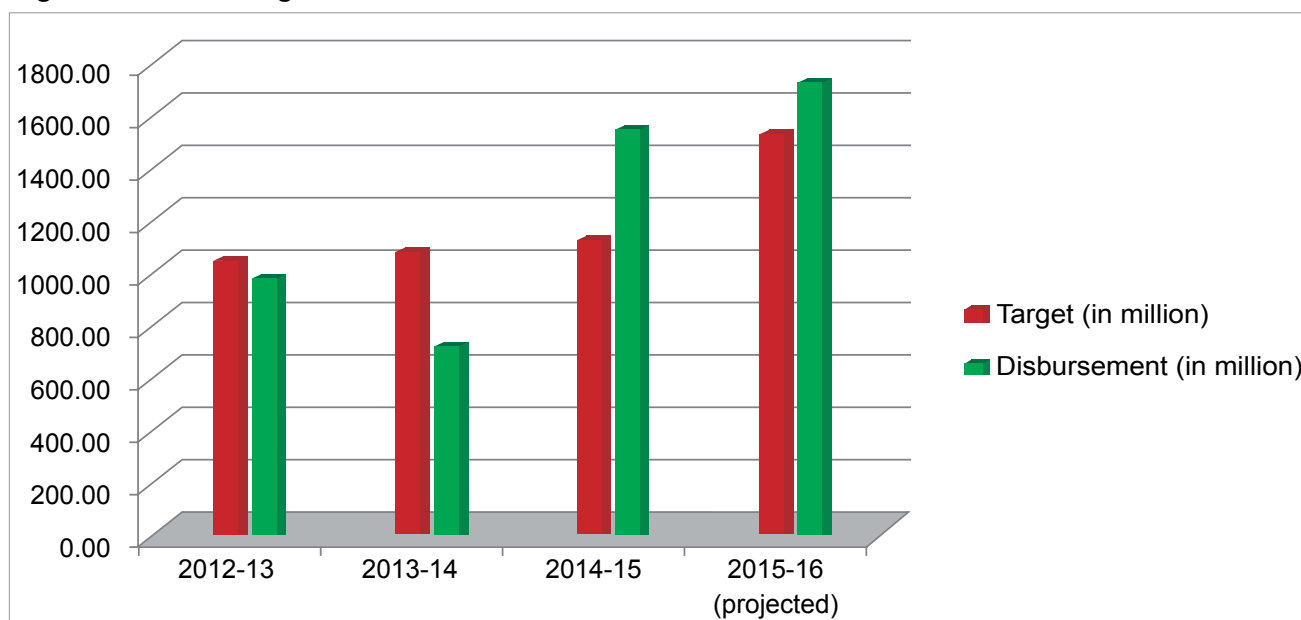


Trust Bank Officials visited the Agricultural & Rural Credit Program financed by TBL through an MFI linkage at Chuadanga District.

In order to achieve desired growth in agriculture sector of the country, Trust Bank is committed to increase loan portfolio in agricultural sector. We are offering Agriculture Loan products popularly known as Trust-Sufola Bangladesh for irrigation equipments, Live Stock & Fish Culture, Fruit Orchard for individuals & group at micro level. Agricultural credit has been provided to the small, marginal farmers and share-croppers individually or in a group following easy process. A product named "Trust-PrantiK" has been introduced targeting the Taka-10/- account holders. Trust Bank is providing finance to the core agriculture sectors-Crops, Fisheries, Live Stock under the Bangladesh Bank Agriculture & Rural Credit Policy and Program through own network and MFI/NGO linkage.

Under the mandatory disbursement target by Bangladesh Bank, we have disbursed agriculture loan Tk.1530.00 million for the FY 2014-15 which is 120% higher than that of preceding FY 2013-14.

Agriculture Loan Target & Achievement





Islamic Banking

Islamic Banking now becomes a globally acclaimed mode of banking which attaches ethical & religious issues while conducting financial transactions. A phenomenal rise from a back-lane niche market to an acknowledged banking mode proves the strength & acceptability of Islamic banking. As per statistics almost 30% of the banking activities of Bangladesh are conducted in Islamic mode.

The defining characteristic of Islamic Banking is the prohibition of interest (Riba) from all transactions and dealing in businesses that are allowed (halal) in shariah. Islamic Banking is governed by a set of strict rules derived from the holy book - the Qur'an & Sunnah of Prophet (pbh). In compliance of shariah guidelines for conducting business, Islamic Banking practices a strong documentary record keeping system eliminating all vagueness regarding business & responsibilities of the parties involved. Islam strongly recommends that the terms of financial agreements be put in writing.

Islamic Banking in TBL

In the backdrop of strong public demand and support for the system along with its religious compliance issue and also its business potentials Trust Bank Ltd. started its Islamic Banking operations through 'window' mechanism as per Bangladesh Bank approval. Trust Islamic Banking (TIB) has started its operation from later part of 2008 through 5 (five) Islamic Banking windows at TBL-Principal Branch, Millennium Corporate Branch, Dilkusha Corporate Branch in Dhaka, CDA Branch in Chittagong & Sylhet Corporate Branch in Sylhet. In addition to the above mentioned 5 (five) branches all TBL branches can now provide Islamic Banking services through on-line banking system.

In addition to the Shariah guidelines, Trust Islamic Banking operations are strictly complied with the Bangladesh Bank's instructions regarding Islamic Banking operations and adhere to the followings:

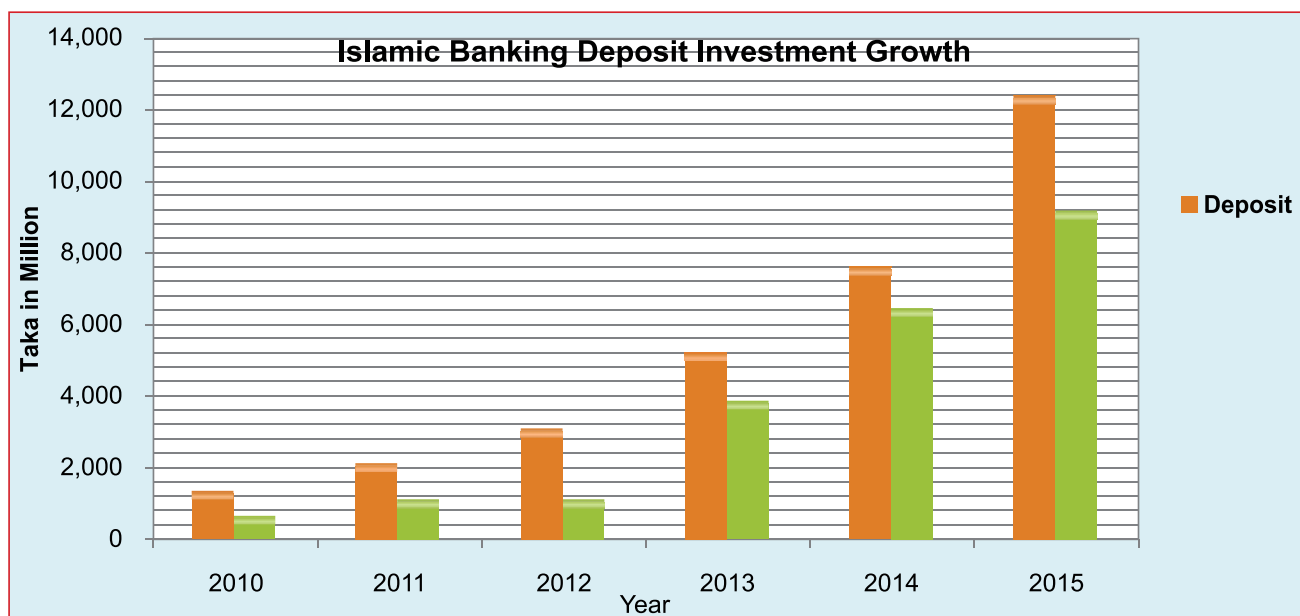
- Completely Separate Fund management-no mingling of fund with the conventional banking deposits of the Bank.
- Separate book-keeping, Profit & Loss Account by Islamic Banking module of Bank's CBS.
- TIB has a distinguished Shariah Supervisory Committee (SSC) for supervision of Shariah related issues
- Investments are made from the Islamic Banking deposits only.
- Profit sharing ratio (Depositor: Bank) is 70:30.
- Profit distributions are executed as per approved weightage table.

A dedicated team of resources with skill & commitment in Islamic finance & banking at Head Office closely monitors and supervises the entire operations of TIB to ensure compliance, development and growth of Islamic Banking business. TIB offers the full range deposit & investment products & services for corporate, retail & SME sectors.

Deposit & Investment

As of December 31, 2015, total deposits of TIB stands at Tk.12,385.09 million & investments Tk.9,181.11 million showing a growth of 62.91% & 43.04% respectively from the corresponding position of 2014.

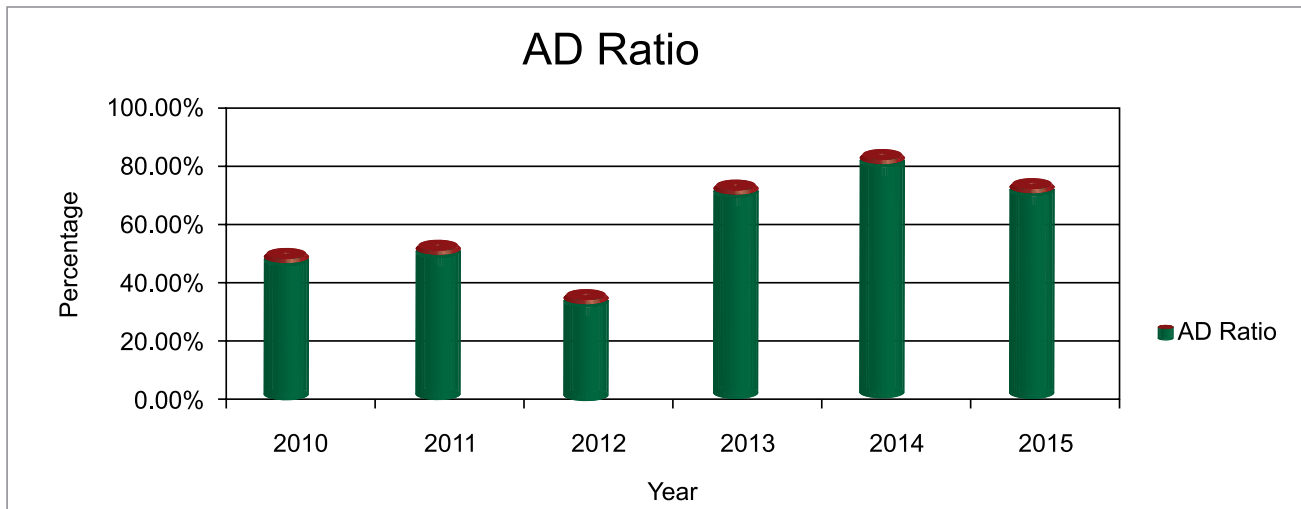
Figure in million



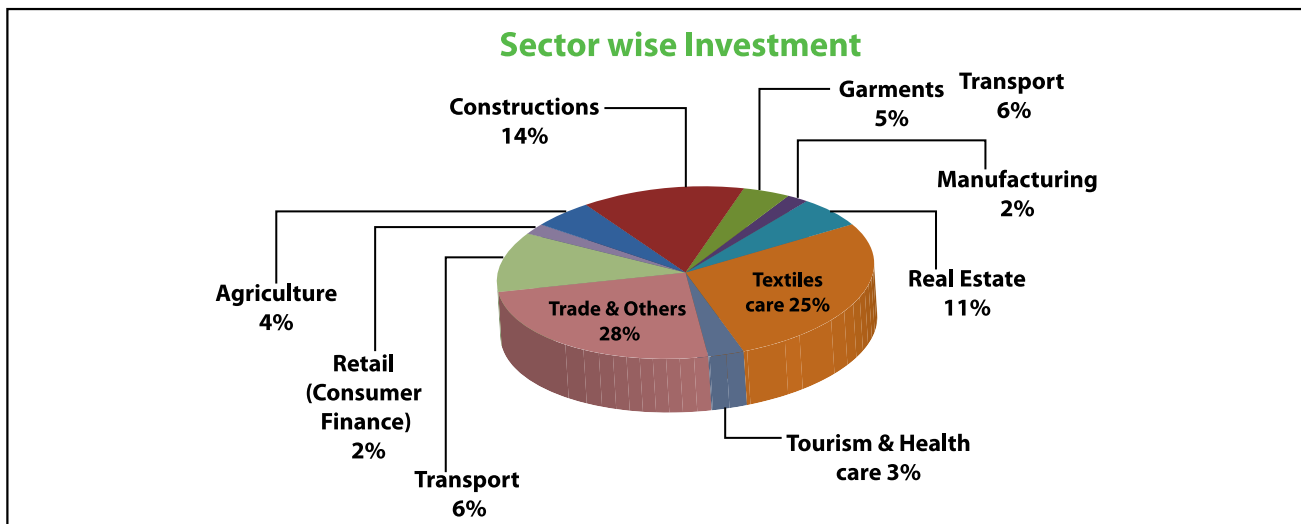


Growth of AD ratio:

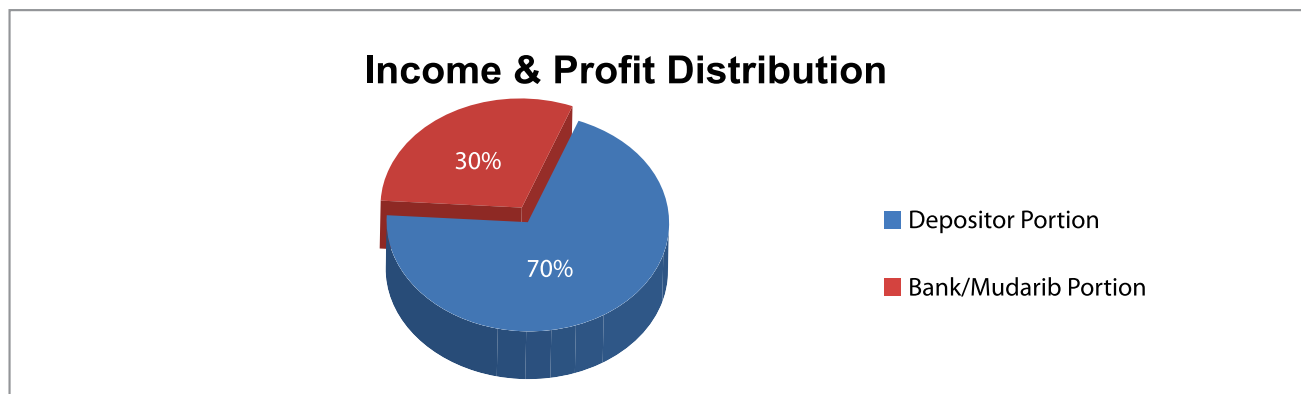
In first half of the year 2015, TIB has enhanced its investment portfolio and AD ratio reached to 87.32% which ensured a healthy return. On the other hand, in the second half of the year, the AD ratio has reduced to 71.44% level for which the return was less compared to first half of the year.



Sectoral Exposure of Investment of TIB:



Income & Profit Distribution of TIB:





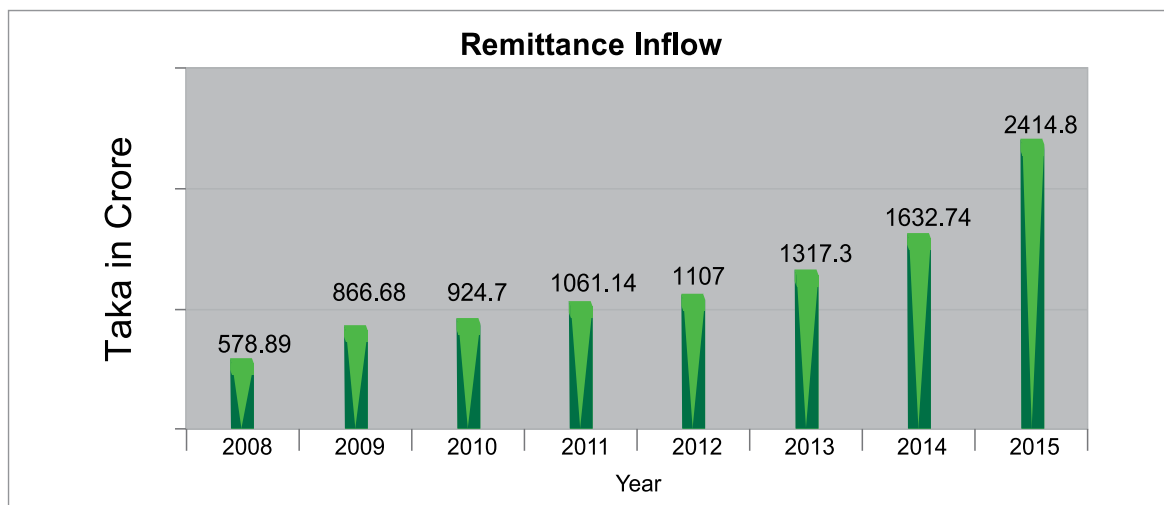
The final profit rates for the year 2015 of TIB Mudaraba deposits arrived as follows:

Sl#	Deposit type	Provisional rate as of 31.12.2015	Final rate for the Year 2015	Remarks (excess/short-fall)
1	Mudaraba Savings Account	4.50	5.76	1.26
2	TBL Employee Mudaraba Salary A/C	4.50	5.76	1.26
3	Defense Personnel Mudaraba Salary A/C	4.50	5.76	1.26
4	TIB Payroll	4.50	5.76	1.26
5	Mudaraba SND A/C up to 25 crore	3.00	4.43	1.43
6	Mudaraba SND A/C 25 crore & above	3.25	4.43	1.18
7	MTDR-1 Months	4.50	7.09	2.59
8	MTDR-3 Months	5.75	8.16	2.41
9	MTDR-6 Months	5.75	8.42	2.67
10	MTDR 12 Months & Above	6.00	8.87	2.87
11	Mudaraba Monthly Savings Scheme	7.00	8.87	1.87
12	TBL Hajj Scheme	8.00	9.75	1.75
13	Mudaraba Millionaire Scheme	7.00	8.87	1.87
14	Mudaraba Kotipati Scheme	7.00	8.87	1.87
15	Mudaraba Money Double Scheme	7.00	8.87	1.87
16	Mudaraba Monthly Profit Scheme	6.00	8.87	2.87
17	Mudaraba Cash Waqf Scheme	6.00	8.87	2.87

A separate Balance-sheet, Profits & Loss account and statement of Cash-Flows are shown in the Annexure D of this report. The figures appears in the annexure have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

Foreign Remittance

In the recent times in Bangladesh, remittance is one of the most important economic variables as it helps in balance of payment, increasing foreign exchange reserve, enhancing national savings and increasing velocity of money. From the very beginning, Trust Bank is very much focused on NRB related issues & channeling Inward Foreign Remittance. Trust Bank is striving to render utmost services to the NRBs and their families in Bangladesh complying with the local and international laws like AML & very recently introduced Foreign Account Tax Compliant Act-FATCA. Since inception in 2006, the growth rate of Inward Foreign Remittance is sustainable. Last year the bank has received USD 283.1 Million equivalents to TK. 24148 Million which is higher by 49.29% with compared to previous year 2014 of remittance USD 186.5 Million equivalents to TK.16328 Million. Inflow of inward foreign remittance was tremendous in 2015. Year-wise remittance inflow at a glance is furnished below:



It reflects the positive gesture and the hard work that we put altogether to bring the hard earned foreign currency of the NRB's and distributed to the doorstep of their families & relatives.



Mr. Ishtiaque Ahmed Chowdhury Managing Director & CEO of Trust Bank Ltd. speaking in UK conference held in London organized by Centre for NRB

The Bank has established sub-agent agreements with 12 local Banks to enhance non funded business. In 2015 two sub-agent banks have been included into our network. The growth rate of commission earning from sub-agent Banks is sustainable and significant. The sub agency agreement for paying out inward foreign remittance in favor of the bank is one of the best decisions of the Management and thereby the head office has become extra income generating source.

Trust Bank has always taken timely initiative to grab the contemporary and potential opportunities to exploit the world wide green fields of Foreign Remittance. The Bank has established drawing arrangement with different overseas exchange houses all over the world. At present, the bank has remittance drawing arrangement with the countries like USA, UK, UAE, CANADA, ITALY, SPAIN, KUWAIT, OMAN & BAHRAIN. The bank has already established drawing arrangement with 18 reputed exchange houses including 5 global money transfer services like Western Union, Xpress Money, Wall Street Global Instant Cash, Zenz Exchange Turbo Cash & RIA Financial Services. Very recently the bank has established drawing arrangement with RIA Financial Services & Kuwait Bahrain International Exchange, Kuwait which are two World-renowned exchange company.



Trust Bank Limited received an Appreciation Award for outstanding contribution in collection of remittances in 2014.



Treasury Operations

The general mission of the treasury operation is to manage the liquidity of a business. This means that all current and projected cash inflows and outflows must be monitored to ensure that there is sufficient cash to fund bank's day to day operations, as well as to ensure that excess cash is properly invested. While accomplishing this mission, the treasurer must engage in considerable prudence to ensure that existing assets are safeguarded through the use of safe forms of investment. Treasury continuously monitors the price movement of foreign currencies with various measures to minimize risk factors.

Our total Treasury operations are an outcome of all the activities of four units, namely: Money Market, FX Market, Asset Liability Management (ALM) and Investment Desk. TBL Treasury Division has very efficiently managed the bank's liquidity and earned significant revenue of BDT. 2,606.40 million in the year 2015 registering a growth of 9.66% than the previous financial year. Money Market fund management was more challenging due to excess liquidity over the year 2015.

The investment banking continued to generate profits during the year 2015, in spite of the challenging environment in the fixed income market. The group has also contributed to the structural development of the market by participating in transactions of different products.

All investment securities are initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investments. Premiums are amortized and discounts are accreted, using the effective yield method. In accordance with BRPD circular No. 15 dated October 31, 2005 issued by Bangladesh Bank, Government Securities purchased to maintain SLR requirement are categorized either as HTM (Held to Maturity) or as HFT (Held for Trading). The securities categorized as HFTs are revalued at least once in a week at the market rate of interest. As per DOS Circular 05 of January 28, 2009 Treasury Bills in HFTs are also revalued at least once in a week and the gain in amortization received due to proceed to the date of maturity is taken in income. As half yearly coupon interest is received from Treasury Bonds, income is taken into account in each month as accrual basis.

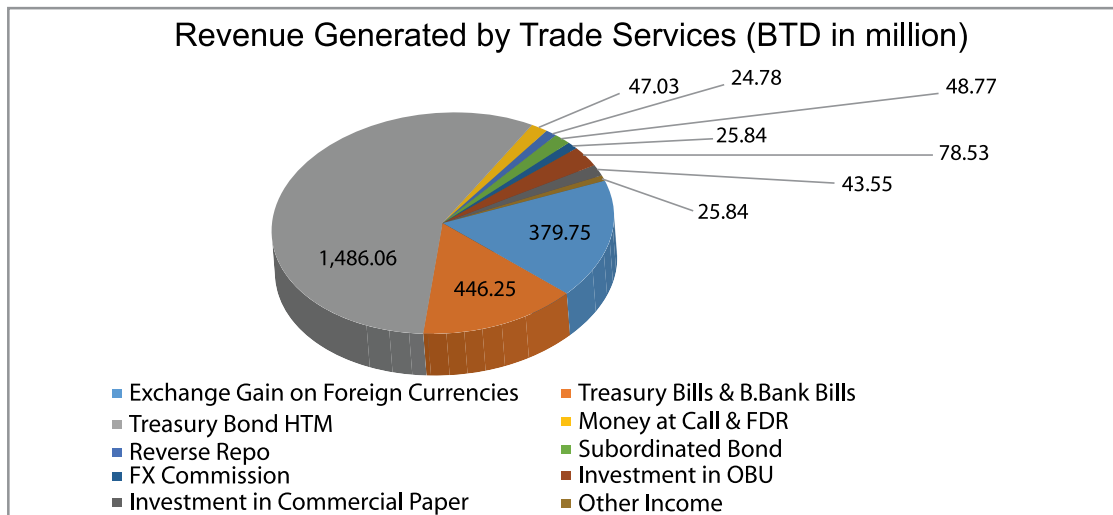
Value of investments in government securities and investment as placement in private bonds and commercial papers of our bank as on December 31, 2015 has been enumerated as follows:

	ITEMS	Figure in Million BDT
1	Government Treasury Bills	6,691.46
2	Government Treasury Bonds	13,959.09
3	Investment in Subordinate Bonds	673.10
4	Investment in Commercial Paper	500.00
5	Investment in OBU	1,124.87
6	Investment in Bangladesh Bank Bills	947.93

Investment Income

Investment income representing interest earned from investment in Treasury Bills, Bangladesh Bank Bills, Treasury Bonds, placement in subordinate bonds, Reverse Repo, Call Lending & FDR Placement, Exchange Gain on Foreign Currency, investment in commercial papers etc. has been enumerated as follows:

	ITEMS	Figure in Million BDT
1	Exchange Gain on Foreign Currencies	446.25
2	Treasury Bills & B. Bank Bills	379.75
3	Treasury Bond HTM	1,486.06
4	Money at Call & FDR	47.03
5	Reverse Repo	24.78
6	Subordinated Bond	48.77
7	FX Commission	25.84
8	Investment in OBU	78.53
9	Investment in Commercial Paper	43.55
10	Other Income	25.84
	TOTAL INCOME	2,606.40



The FOREX trading unit offers foreign exchange and derivative solutions and continued to be a major player in this segment. These products and services are offered to various users as permitted by extant regulations. We provides global coverage of markets with a detailed knowledge of local markets. We provide our clients with regular market updates as well as quantitative and qualitative research on topics related to macroeconomics and financial markets.

The asset liability management unit continued to actively manage the Bank's liquidity, interest rate and the securities portfolio held for compliance of statutory and regulatory requirements by Bangladesh Bank. This is done by keeping in mind the optimization of the yield on the overall portfolio while maintaining an appropriate portfolio duration given the volatile interest rate movement.

International Business

Trade Finance

Trade Finance offers a wide range of services that can be tailored to meet the different needs of buyers and sellers (importers and exporters). Our range of resources and level of expertise in the various trading sectors and documentary credit specialists enables us to offer unrivalled services to all our customers, whether they are manufacturers, traders, suppliers, importers or exporters. The Bank has exhibited quality financing while facilitating total import and export business transacted during the 2015 for BDT 74,228.00 million and BDT 48,928.00 million respectively.

The Bank offers the following trade services products to facilitate international export / import business under trade finance facility and also provides policy and regulatory support to all AD branches for ensuring unhindered customer services under Trade Finance Facilities of the bank.

Import

- **Letter of Credit- - Sight/ Usance.**
Issue letter of credit and amendment covering imports of goods/services.
- **Stand by Letter of Credit.**
- **Loan against Trust Receipt.**
Business Enterprises engaged in import of merchandise can avail working capital for retirement of import documents.
- **International Bank Guarantees.**
Issuance of International Bank Guarantees on behalf of our customers for commercial and non-commercial purposes. Commercial guarantees are related to commercial contract between the supplier and the customer. Non-commercial guarantees are not directly related to commercial contracts but those are obligatory to be able to make a business. The demand guarantees may serve several purposes from indefinite range of payment, performance or non-performance obligation
- **Shipping Guarantees.**
To operate business efficiently, it is vital that goods are cleared expeditiously. By issuing a shipping guarantee in the shipper's favor, bank facilitates prompt clearance of goods until bill of lading is received.



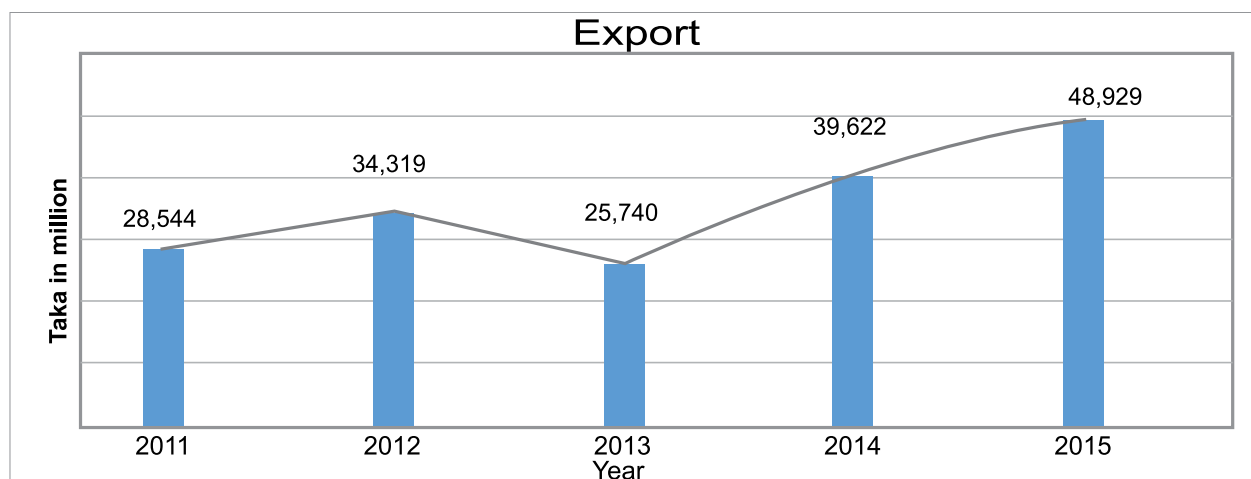
Export

Export Letter of Credit:

- Advise documentary credits and any amendments covering exports from Bangladesh.
 - Confirm Export Letter of Credit.
 - Negotiate documents presented under Export Letter of Credit.
 - Handle transferable and back to back credits, thus making us one of the most efficient banks in trade finance industry.
 - We are well equipped to finance pre-shipment and post shipment transactions mentioned below with competitive rates.
- **Pre-shipment Finance:**
 - Back to Back Letter of Credit.
 - Back-to-Back Letter of credit is issued against the export credit (the master credit) to facilitate export oriented Garments industries.
 - Export LC (Advising & Transfer)
 - EDF Loan, Over Draft (Garments), Packing Credit
 - **Post-shipment finance:**
 - Export Bill Purchase.
 - Export Bill Collection.
 - Inward Documentary Bill Purchase.
 - **Inward and Outward Bills for Collections:**
 - Acting as Correspondent Banks' Agent, we can provide close control of the documents sent to us under inward bills for collection and thus enhance their control of the collections until documents have been settled by drawee.
 - Acting as remitting bank to cover documents presented by our customer under outward bills for collection to cover their exports.

Export

Our Export earnings shows upward trend through the four quarters in 2015 which starts with USD 119.3933 million in the first quarter and then USD 134.2166 million, USD 166.6935 million and USD 195.2903 million in the second third and fourth quarter respectively. The highest achieved Export earnings of 2015 were in November which was USD 70.7450 million. The cumulative achievement of the export earning is USD 615.5938 million at the end of 2015 which is higher than that of 2014, i.e. USD 451.7927 million registering a growth of 36.25% as compared to 2014. It shows that the Bank has contributed more in reducing trade gap in 2015. The export items were RMG, shrimp & frozen fishes, jute & jute goods, finished leathers & leather goods, fresh vegetables like potato, ceramics, handicrafts, pharmaceuticals, processed food, rice bran oil, tobacco etc.

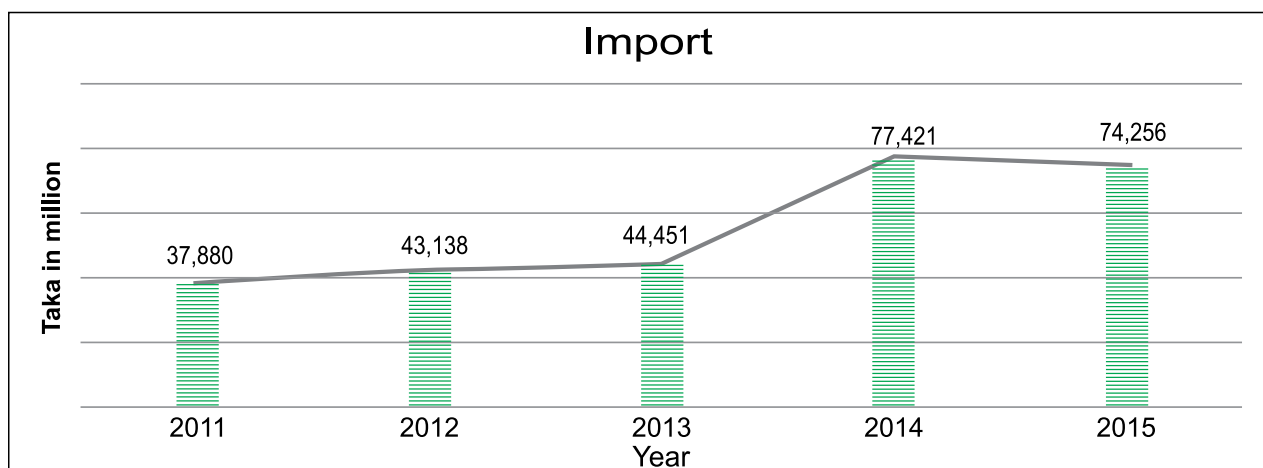


Import

Our highest monthly import expenditure as well as highest quarterly expenditure was in the second quarter. It touched its pick in the month of April 2015 which was USD 112.2221 million and the expenditure for the second quarter was USD 263.7032 million. Total import expenditure during the other three quarters namely first, third



and fourth quarter were USD 208.2577 million, USD 236.0387 million, USD 231.8338 million respectively. The first quarter showed upward trend in increase of import volume which started with USD 62.1198 million in January and ends up with USD 77.1067 million in March. But the second quarter showed downward trend in import expenditure which started with USD 112.2221 million and end up with USD 71.2649 million. After completion of the successful year, total cumulative import expenditure of 2015 becomes USD 939.8334 million. The noticeable feature of import expenditure is, it was more in 2014 which is USD 992.9661 million cumulatively and less in 2015 which also shows the trend of diminishing trade gap. The main imported items were capital machineries, industrial machineries, industrial raw materials, foods, commodities and other consumer products. During the year 2015 total LCs were opened to the tune of USD 743.044 million and settled amounting to USD 691.471 million. The LC outstanding at the end of the year 2015 is USD 414.605 million.



Correspondent Banking

The Bank continues its efforts and endeavor to develop relationship with worldwide foreign correspondents to facilitate the International Trade operations of the Bank. As on 31 December, 2015 the number of foreign correspondents are 330 banks spread across 53 countries and the numbers of Nostro Accounts with foreign correspondent banks stood 27 in 7 major international currencies. The Bank also enjoys substantial credit lines from the correspondent banks for adding confirmations and discounting to L/Cs as and when needed which have contributed towards expansion of Bank's foreign trade business.

SWIFT Automation: For Branch Connectivity & Global Sanction Screen

SWIFT stands for "Society for Worldwide Interbank Financial Telecommunication". Our bank started SWIFT operation in the year 2003. SWIFT is playing a vital role in the area of international and local payment/settlements of the trade service related activities. SWIFT is the one and only authenticated, unified payment settlement that is accepted globally. Currently 16 Authorized Dealer Branches have been able to use SWIFT system round the clock. Due to increase in Trade volume an estimated number of 50 users from 16 AD branches are required to operate SWIFT system at a time daily with the 10 concurrent SWIFT user licenses only. However the 10 concurrent user licenses can allow a maximum of 10 users only to run the SWIFT operation at any given time, and all other users must wait till a license becomes available, with no predictable time. In this backdrop, Head Office, TSD has completed SWIFT Automation Project in 2015 to facilitate unlimited branch connectivity and fulfil Bangladesh Bank's compliance in respect of global sanction screening.

By way of automation through "nSmart" software, we have successfully overcome the key shortcomings of existing SWIFT: the connectivity issue. Unlimited users can prepare new SWIFT messages, see the SWIFT statements - incoming / outgoing SWIFT messages, and edit SWIFT messages with the unlimited concurrent users. Most importantly by this software all incoming and outgoing SWIFT messages are automatically screened of through all the sanction lists published worldwide by Bangladesh Bank, the United Nations, the USA, EU, UK and other important major countries in order to safeguard against the terrorist financing to/by the individuals or business entities or countries in compliance with Bangladesh Bank and International regulations. As we know that the sanction screening is mandatory for each and every cross border transactions through incoming & outgoing SWIFT messages as per Bangladesh Bank circular from BFIU Division. Screening transactions against multiple lists allows financial institutions to comply with sanctions laws, by blocking or flagging prohibited transactions.



Offshore Banking Service

To meet the contemporary banking business demand, Trust Bank Limited started its Offshore Banking operation in Dilkusha Corporate Branch, located at 36 Dilkusha C/A, Dhaka -1000 on December 04, 2013. Within a very short span of time OBU has become a profitable earning indicator of the Bank. In 2015 aggregated profit from Offshore Banking services was USD 1.31 million or equivalent BDT 101.69 million including Head Office's earnings from investment in Offshore Banking being BDT 78.53 million and Offshore Banking's earning being BDT 33.16 million. Trade Services Division has been providing all sorts of policy and regulatory support as well as liquidity support to TBL off-shore banking unit for their smooth functioning of business and service delivery to the customers.

Different transactions that Offshore Banking perform:

Offshore to offshore:

- Treasury function- foreign currency buy and sell.
- Borrowing from other offshore outside the country.

Offshore to onshore:

- Treasury function- foreign currency buy and sell.
- Discounting of import and export bills of own Ads.

OB activities with EPZ industries:

- Institutional Deposit especially from Type-A industry.
- Lending to Type-A industry including import and export formalities.
- Lending to Type B and Type C industries subject to prior approval from BOI

OB with Entities outside EPZ:

- Lending to the enterprise in Bangladesh subject to prior approval from BOI.

Currently OBU, TBL provides the following customized products & services to corporate clients in line with the Bangladesh Bank's Guidelines:

- Discounting of Import Bills (UPAS),
- Loan to ADs for export bill discounting,
- Participation in syndicate financing in foreign currency,
- IPFF loan disbursement,
- Lending to the enterprise in Bangladesh subject to prior approval from BOI.

For the year ended December 31, 2015 business position of TBL, OBU is as follows:

Business area	In USD	In Tk.
Total Deposits	USD 29.80 mn	Tk. 2,353.10 mn
Total Advances	USD 30.54 mn	Tk. 2,410.80 mn
Profit - OBU	USD 0.42 mn	Tk. 33.16 mn
Head Office profit from investment in OBU	USD 0.99 mn	Tk. 78.53 mn
Aggregate profit from OBU activities	USD 1.31 mn	Tk. 111.69 mn

Regulatory Compliance Performed by Trade Services Division in 2015

Trade Services Division (TSD) has accomplished the following trade related functions for fulfillment of regulatory compliance in 2015:

1. Establishment of Foreign Exchange Reporting & Monitoring Cell:

For smooth reporting of periodic Forex transactions & overall monitoring of all Trade related issues, Head office, TSD established a Foreign Exchange Reporting & Monitoring cell.

2. Centralized Reporting of Monthly FEX. Transactions (AD Branches):

TSD established a centralized reporting of Monthly Forex returns of all Authorized Dealers to Bangladesh Bank as per Bangladesh Bank circular.



3. Incorporation of nSmart in SWIFT for Branch Connectivity's and Global Sanction Screening system:

Incorporation of nSmart software has enabled the bank to avail unlimited SWIFT connectivity including non-authorized dealer branches without additional cost and automated sanction screening to comply with the Anti-Money Laundering (AML) related directives of Bangladesh Bank.

4. Go live RTGS System:

To facilitate Real Time Gross Settlement (RTGS), Go live RTGS system has been undertaken by the bank for effecting transactions of their own and their customers.

5. Introducing e-refinancing in EDF:

Established in 1989, the EDF is intended to facilitate access to financing in foreign exchange for input procurements by manufacturer-exporters. Authorized Dealer (AD) banks can borrow US Dollar funds from the EDF against their foreign currency loans to manufacturer-exporters for input procurements. Recently Bangladesh Bank has been working to facilitate online services for EDF which is expected to go live in full phase from January, 2016. The services can be available through the website maintained by Bangladesh Bank- <http://erefin.bb.org.bd>.

Trade Services Division (TSD) in association with the Head Office, IT Division has achieved sound technological development in 2015. Particulars of development in TSD are as follows:

1. Incorporation of In-house built Bulk Data Upload System in Flora Core Banking Software:

Enabling huge data upload in the different Online Reporting Systems (Export, Import & Remittance) of Bangladesh Bank at a time instead of Case to Case Basis Reporting.

2. Foreign Exchange Transactions Reporting System:

This is an In-house developed system through which AD branches can report smoothly all of their Forex transactions to Bangladesh Bank and Head Office.

3. Inflow-Outflow Statement Reporting System:

This is another In-house developed system for reporting of monthly inflow & outflow of Foreign Currency where all Forex transactions are reported through RIT.

4. The Daily Position Reporting System:

On-line Reporting System has been developed for reporting daily FEX. Transactions of AD Branches to Head Office, TSD for preparation of the daily exchange position and submission to Bangladesh Bank on daily basis within 11:00am.

Information Technology

Trust Bank has always leveraged technology to deliver convenience to its customers. The Bank has been offering innovative and cutting-edge products to its customers with the objective of enabling banking transactions at any time and from anywhere in the door steps of people. The Bank also attempts to anticipate the future needs of customers and deliver those needs through technology-based solutions.

Newly Launched Services of 2015:

- Real Time Gross Settlement (RTGS)
- National Payment Switch Bangladesh (NPSB) connectivity
- iBanking Service
- Trust Bank Checkout
- Complain Management Solution/Help Desk
- Automated Screening System
- National ID's Correction or Reissue Fee Collection
- Dhaka Power Distribution Company (DPDC)'s Electricity Bill Collection.
- Passport Fee Collection
- Digital Salary of Coast Guard, RAB and Navy
- FATCA Portal



Initiatives to Improve Service Quality

Trust Bank continued its drive towards improvements in service quality across all customers. These improvements also have reflection in Branch Banking, Internet Banking, Mobile Banking, ATMs, Cards, Phone Banking, SMS Banking, SMS Alerts, along with back office support functions.

Real Time Gross Settlement (RTGS)

Trust Bank has launched Real Time Gross Settlement (RTGS) service on October 29, 2015. RTGS is an advanced technology that facilitates interbank fund transfers on real time basis, for both local and foreign currency transactions. RTGS is expected to help boosting business to business (B2B) transactions along with other general transactions by enabling instant settlement of transactions as well as government securities and foreign currency based transactions.

Complain Management Solution/Help Desk

The Bank has introduced Complain Management Solution/Help Desk to provide benefits to customers. Now customer can submit a Ticket with unique Ticket Number through this portal. The portal can simultaneously track complain, enquiry, etc. and the concerned division and/or branch can monitor the submitted tickets with status. The portal can automatically notify to the requester through email on specific status change of each ticket and customer can view his/her previous submitted ticket details with status.

Automated Screening System

Trust Bank has launched automated screening system for identifying apprehensive group of people and entity. The application will cross check the applicant detail with criminal list provided by Office of Foreign Assets Control (OFAC) and other relevant institution. The screening system will perform operation on new accounts and existing Core Banking System (CBS) accounts.

National Payment Switch Bangladesh (NPSB)

The Central Bank has already in live with National Payment Switch Bangladesh (NPSB) to facilitate interbank ATM transactions in Bangladesh. As a result, Trust Bank card holders can use all the ATM's under NPSB network and reduce transaction cost.

iBanking Service

The new version of Internet Banking service has come up with new features wrapped more securely than before. It has enlarged its e-services for fund transfer, utility bill payment and made internet banking experience simple and secure for customers.

Our energetic and innovative In-House Software Development Team has developed e-services request portal to process various online requests. The team has developed the software keeping in mind for minimizing use of paper and maximizing employee efficiency. Currently this portal is using to process iBanking service requests.

Our simple and user friendly interface of iBanking has added features like account balance query, multiple account summary, account statements, secured fund transfer with second factor authentication, un-cleared fund status, utility bill payment, credit card bill payment etc.

Trust Bank Checkout

Trust Bank payment checkout is being used to pay online payment though Trust Bank Mobile Money and Q-Cash Card (Visa) payment method. Now Trust Bank Payment Checkout is integrated with-

- Bangladesh Election commission's (NID fees collection)
- Passport Office (fees collection)
- Cadet College
- Cantonment English School & College
- Bangladesh Air Force
- Khulna Development House

Passport Fee Collection Booth

Trust Bank Limited has integrated its payment gateway with Passport office for collecting fees of MRP and MRV through Trust Bank Mobile Money (TBMM) and Trust Bank (Q-Cash/Visa) Gateway. The applicant can pay the MRP and MRV fees through online and offline.



Merchant Solutions

Trust Bank Limited has increased its E-Commerce Merchants in the year 2015. All cardholders will be able to purchase products and services from Merchant websites. Trust Bank Limited has setup this environment with much higher security than practiced in the market.

Currently cardholders can buy online tickets, movie tickets, recharge mobile airtime, internet prepaid card, gift items, dresses and jewelry from most renowned brand shops of the country etc. Trust Bank Limited is increasing the list of merchants to offer the cardholders with more services and products on regular basis.

Defense Digital Salary

In line with the commitment of implementing Digital Bangladesh, Trust Bank Limited has taken a noteworthy step to automate the Defense Personnel Salary System. By the digital salary system, the Defense personnel are provided with a debit card by which they can access to their salary account round the clock. As per the project requirement Trust Bank Limited has also extended the ATM network coverage all over Bangladesh to make the salary system successful. Trust Bank Limited disburses around Tk.325 Crore each month as part of the project to Defense Personnel Salary System. Coast Guard, RAB and Navy are new members of the Digital Salary family.



Signing ceremony of Memorandum of Understanding between Bangladesh Coast Guard and Trust Bank Ltd. for Digital Salary Disbursement.

Phone Banking

TBL customers can access to their accounts information using any phone even after regular banking hours. A customer can have the information through the phone banking services like accounts balance, information about Bank products, currency rates, account statements, Cards information.

SMS Banking

SMS Banking is a mobile technology that allows customer to request and receive banking information from bank on customer mobile phone via Short Message Service (SMS). Individuals or corporate bodies can manage their bank accounts, check their account balances and last few transactions (mini statement) using their mobile phones. With SMS banking, convenience can be achieved 24 hours a day. This service enables safe and easy Check-up of customer account balance - at request and upon movement. The service security of using SMS banking services is based on a PIN and customer mobile telephone number, as well as on pre-defined and registered account numbers to which payments are possible.

Transaction Alert Service

SMS Alerts is a service that allows customer to stay updated on his/her account transactions through mobile. To receive these alerts customers have to register for the service. According to the register system generates alerts when customer account is debited/ credited.

Mobile Banking Services

Trust Bank Limited launched "Trust Bank Mobile Money (TBMM)" on 31 August 2010 for the banked & unbanked people to materialize the motto "A Bank for Financial Inclusion". In Bangladesh most of the rural people are not educated and cannot write bank cheque or give signature. Also they need to maintain a minimum balance in their accounts to pay various charges which tends to be difficult for the rural people.



Mobile Banking is a process of no-branch banking which provides appropriate financial services to unbanked communities in both urban and rural areas at affordable cost. Since it is not possible to have bank branches in every village, Bank can also reach its 68,000 villages through Paypoint (Agent) of Mobile Banking. There are around 160 million people of which only 16 % are bank account holders, but more than 65 per cent are mobile phone users. Bank can now conveniently offer the banking services to rural and unbanked population through mobile phones.

TBMM is a Bank-Led model complying all the rules and regulation of Bangladesh Bank. It enables subscribers to quickly, easily, and securely transfer balances to other subscribers via their mobile phones (SMS & USSD) or Internet. Any mobile subscriber can avail TBMM services using any mobile handset from low end to high end.

Customer of TBMM can avail the service at all Trust Bank Limited (TBL) Branches, SME Centers, T-Lobby and accredited Paypoints. At present TBL accredited 20,000 nos of Paypoints. Trust Bank is deploying its Paypoint Network through different distributors such as Teletalk, Robi Axiata Limited, Third Eye NC Limited, Citycel, North South Mobilink, Online Trade Link Limited (OLTL), Deshmati IT enable Services Limited (DITES), Arena, Quantum Dots Ltd. and A2i (USC, PDC, CDC).

The Services of Trust Bank Mobile Money (TBMM) are as follows:

1. A/C Registration, Cash Deposit & Withdraw at Paypoint/TBL Branches
2. Person to Person fund transfer
3. Payment at Point of Sale
4. Student Banking
 - i. Admission Fees Collection (MIST, BUP, Cadet Colleges)
 - ii. Tuition Fees Collection
5. Bangladesh Navy Recruitment Fund Collection (BNRF)
6. Bangladesh Army Officer Recruitment Fund Collection
7. Bangladesh AIR Force Recruitment Fund Collection
8. Utility payment
 - i. Air time recharge (All Telco)
 - ii. MetLife Alico Insurance premium
 - iii. Meghna Life Insurance premium
 - iv. Prime Life Insurance premium
 - v. DESCO, DPDC Electricity Bill Collection
 - vi. Passport Fee Collection.
9. National ID's Correction or Reissue Fee Collection
10. A/C Balance check
11. A/C Statement (Last 3 transaction check)
12. Online Merchant Payment (Bangladesh Brand, Buy Dell Online)

Trust Cards

Trust Bank Limited obtained Associate Membership of Visa International in the month of October 2006. Within a period of 6 months, the bank had successfully launched Visa Credit Card which created a new dimension in its customer service and consumer financing.

Trust Bank introduces four types of card:-

- Debit Card
- Credit Card
- Prepaid Card
- RFCD Debit Card
- Platinum Card

Debit Card:

Requires electronic authorization for every transaction and the debits are reflected in the user's account immediately. The transaction may be additionally secured with the personal identification number (PIN) authentication system. Customers may directly access their savings/ current/short term deposit accounts with the card through ATM, POS and Internet etc. Approximately 3, 20,000 customers have debit cards as on 31 December 2015 and this number is increasing day by day. There are two types of Trust Debit Cards are available:

- Trust VE (VISA Electron) Debit Card
- Trust Proprietary (Q-Cash) Debit Card



Credit Card

Trust Bank Limited has introduced Visa Credit Cards, both local and international to serve its existing and potential valued customers. Credit cards can now be used at shops & restaurants worldwide. The Bank has issued approximately 5,500 credit cards to the eligible customers. This number is also growing day by day.

The Special feature of the Trust Bank Visa Card is that it bears the card holder's photo on the card, which is a security against misuse.

Trust Bank Limited issues 2 types of cards. These are Gold Local & International, Classic Local, Classic International & VISA Platinum Dual. Local cards can be used in Bangladesh only.

- VISA Domestic Classic (VDC)
- VISA Domestic Gold (VDG)
- VISA International Classic (VIC)
- VISA International Gold (VIG)
- VISA Platinum Dual

Platinum card holders can avail priority pass along with maximum credit limit; cash advance facility and emergency card replacement. Priority pass will also be facilitating 600+ airport lounges uses around the world. Moreover, Platinum card holders can empower their world with great discounts, auto debit facility and personalized customer care service. Offering will also reach up to three supplementary cards and convenient payment option through new iBanking service.

Prepaid Card

In order to fulfill customer needs and Traveler Cheque arrangement & related services, Trust Bank Limited has launched International Prepaid cards against travel quota entitlement. In addition, local prepaid card has been launched to drag then non-account holders of the bank under the service of plastic card. Moreover, the prepaid card has given an alternative collection method of remitted money by Western Union.

Trust Bank Limited was the first bank to enable all the cardholders to pay Tax online through National Board of Revenue website. A Prepaid card has been specially designed to pay Tax online with added security.

RFCD Debit Card:

TBL has launched Platinum and RFCD cards for the elite clients. RFCD is an international debit card for RFCD account holders only. Customer can directly access their FC Deposit RFCD USD accounts with the RFCD debit card through ATM, POS during residing at abroad. RFCD debit card can be used for E-Commerce websites which has transaction facility for USD currency.

Paperless Billing System of Credit Cards:

Green Banking has been introduced for generating Electronic Bill. E-Bill system of credit cards have not only made billing system more convenient to customers but also ensured paperless billing system.

ATM

ATMs now allows customers to access their account, check account balance and withdraw cash 24x7 hours. ATM's located on the premises of financial institutions or elsewhere, through which customers' may withdraw their fund as they would through a bank teller. At present, total numbers of ATM's are 171 as on 31 December 2015.

Call Center

The banking industry has changed the way they provide services to their customers and process information in recent years. In modern banking, call center has become an important wing. Call center is increasingly popular in modern banking system, in which centralized customer service and support functions are being included. Everything in the present world needs an innovative concept so that the specialty is always appreciated by a community that is related to your specialization. Today's banking business is purely based on a formula that has to rule customer's mind at any condition. Therefore, to meet this demand, proper call center support is a necessity.

Better call center support will definitely help bank to providing a satisfactory customer experience in near future. Our Bank is not only a profit earning organization but also a sector of customer service. So, in banking sector a call center can help over all the customers for solving their problem in easiest possible way. The Benefits of Call Center's automated phone system offers a menu of choices to respond to customers' query about the benefits they are receiving. Eligibility call agents are also available 24/7 to provide assistance.



Bangladesh Electronic Funds Transfer Network (BEFTN)

BEFTN has started here with the objective to decrease paper-based payment methods and encourage paper-less payment methods for secured, faster & cost-effective transactions.

It facilitates the transmission of payments between the banks electronically, which makes it faster and efficient means of inter-bank clearing over the existing paper-based system i.e. BACPS. It is able to handle a wide variety of credit transfers such as payroll, foreign and domestic remittances, social security, cash & fractional dividends, expense reimbursement, bill payments, corporate payments, government tax payments, veterans payments, government license fees and person to person payments as well as debit transfers such as mortgage payments, membership dues, loan payments, insurance premiums, utility bill payments, company cash concentration, government tax payments, government licenses and fees etc.

BRTA Service

TBL has launched Collection of BRTA fees and taxes from January 2014. Currently 46 branches are engaged in collecting BRTA fees and taxes.

Disaster Recovery (DR Site)

Trust Bank has Hot Disaster Recovery Site. Trust Bank DR Site is populated with server, cooling, power and office space. Trust Bank DR Site environment is running concurrently with main data center. This syncing allows for minimal impact and downtime to business operations. In the event of a significant outage event to main data center, the DR site can take the place of the impacted site immediately. DR site placed in Jessore. It is an alternative backup facility. It contains equipment and infrastructure that can be temporarily used to manage business processes until the main site's functionality is fully restored.

In-House development solution

1. **Intra Message:** A web based application for sending messages among TBL employees. It is an efficient substitution of email system for inters branch communication with attachment sending facilities, seen log, employee profiling and auto/manual group mail facilities.
2. **Foreign Remittance Disbursement System:** Disbursing 22 Ex-House companies' foreign remittances to customer A/C, instant cash services, or through BEFTN to other banks and live monitoring facility for reconciliation. More than 3500 Crore taka has been disbursed throw this system from 2013 and about 1500 Crore taka in 2015.
3. **Card Process System:** Developed an in-house system to minimize the card production process. Card creation, reissue, activation, etc. requests can be placed through this system from any branch. It has automatic forwarding letter creation facilities. Barcode based card activation can be quickly requested from branch through this system.
4. **Trust Bank Check out:** Trust Bank payment checkout is being used to pay online payment though Trust Bank Mobile Money and Q-Cash Card (Visa) payment method. Now Trust Bank Payment Checkout is integrated with -
 - Bangladesh Election commission's (NID fees collection)
 - Passport Office (fees collection)
 - Cadet College
 - Cantonment English School & College
 - Bangladesh Air Force
 - Khulna Development House
5. **FC Transactions Reporting System:** Web based solution to report the Foreign Currency Transactions to Bangladesh Bank. All the corporate branches and International Division of Trust Bank are using this application. It can generate reports and send data as per Bangladesh Bank's various formats.
6. **WASA Bills Collection System:** Wasa bills collection system, which can hook the bills from wasa web service and can make the bills paid online. Various reporting are also included in the system.
7. **Automated Banking Service Request Archive:** This system is used to archive all the requests of Internet Banking, SMS Banking, Phone Banking requests.
8. **File Archive:** To Archive and Search Files department wise, to archive and search important official files in pdf format for preserving and sharing with cloud viewing facility.
9. **Hardware Inventory System:** It helps to collect hardware inventory list and requisition of any hardware from Branch/HO end, Allow managers to know to the real time status of each hardware item.



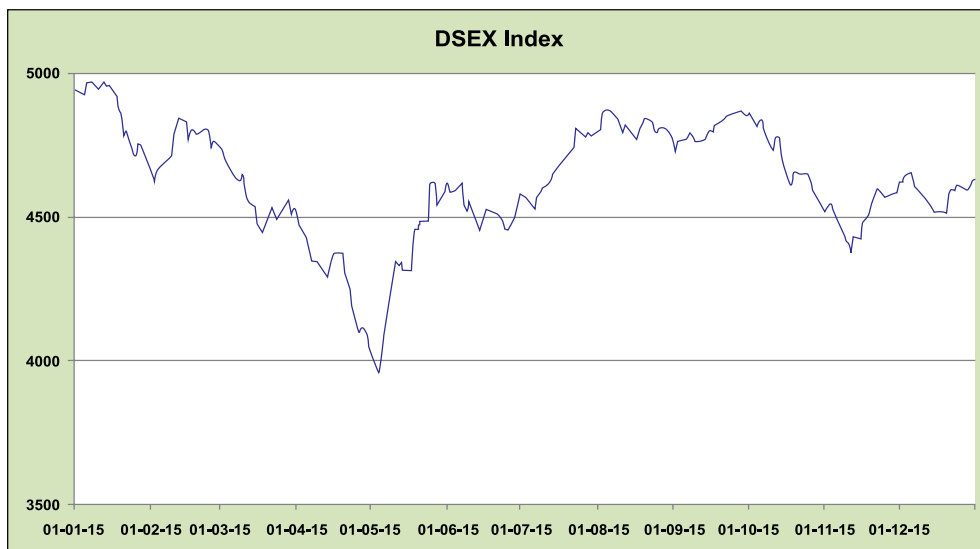
10. **Receipt Printing System:** Automated printing system to print Deposit Scheme Advice, MICR Pay-Order Slips, Customer TAX Certificate, Balance Confirmation Certificate, Solvency Certificate, etc.
11. **Email Marketing Tool:** Trust Bank Mailer to send bulk emails to customers for notifying product and marketing purposes.
12. **SMS Sending Engine:** Developed bulk SMS sending engine to send customized transaction alerts, OTP codes, etc. It is integrated with the central SMS gateway and core banking engine.
13. **KYC Profiling for Card:** Storing customer information for credit card KYC profiling.
14. **Internal Circular System:** Internal Circular publishing system for circulating and archiving in a categorized way. And to notify through email to all employees.
15. **Work Log and Roster Scheduling System:** Daily work log register for IT employees. It has the facilities to make the schedule of roster duties.
16. **Card Scoring and Approval System:** A very user friendly and print ready entry form to assess the credit worthiness of the applicant, Date wise report of the applicant scoring, print ready entry form to assess the credit worthiness of the applicant. Date wise report of the applicant scoring.
17. **Intra Reports:** Recently in-house Development Team has developed more than 50 complex core banking reports which are presently using in Retail Banking Division to meet up Bangladesh Bank compliance. Also developed various reports to detect critical CRM and A/C related errors from CBS to find CIB and goAML errors. Error archiving option is also present in the system. Interest or Profit Calculation on IBTA Balance, Slab wise and Bangladesh Bank Account Type wise Deposit Balance, Daily Fund Position, Daily Deposit and Investment Increase Decrease, A/C wise GL Balance, Branch wise Profit, TBL General A/C Statement, IBT Originating/responding report, Customer group and A/C linkup, Bank and group wise load Details, Day to Day cash gap analysis, etc.
18. **Month end Sync:** The month end process duty distribution, process activity & status synchronization with branch and IT Division will be done through this web based application.
19. **Photo Album:** An internal system for storing, sharing and displaying photos of different events of Trust Bank Limited.
20. **Bug Tracker:** Bug Reporting & Tracking tools of all TBL applications (for IT division), to store different systems' bugs and follow up with vendor correspondence.
21. **Trust Bank Blog:** In-house developed Blog System to share the knowledge base between the employees by publishing efficient information of various training materials, system manuals in a categorized way.
22. **Cheque Book Requisition System:** Cheque Books can be requested from branch and send requests to vendor to print through this system.
23. **Helpdesk:** This system will be used to receive complain from general customers/public as a ticket with unique ticket number through this portal. The portal can simultaneously track complain, enquiry, etc. and the concerned division and/or branch can monitor the submitted tickets with status. The portal can automatically notify to the requester through email on specific status change of each ticket and customer can view his/her previous submitted ticket details with status.
24. **Sanction Screen Monitoring System:** Automation system for identifying apprehensive group of people and entity. The application will cross check the applicant detail with criminal list provided by OFAC and other relevant institution. UN and OFAC sanction list screening monitoring system for new accounts and existing CBS accounts.
25. **Trust Bank Website:** Updated website with responsiveness to fit in all types of browsers including mobile and tabs with Bangla facilities. This website will have the option to search Branches, ATMs, and CDMs etc. in advanced way with location visibility in Google map.
26. **AML Error Finding Tool:** Identify CRM Errors, Search Customer with different parameters, Identify Signatory/Director, Customer list with Invalid Sector code.
27. **Inventory Management System:** It helps to collect inventory list and requisition of any item from Branch/ HO end, Allow managers to know to the real time status of each item.
28. **Doc Archiving for Accounts:** Scanned document archiving system for loan and deposit products for Credit Administration and other departments
29. **Daily FC Cash Position Reporting System:** Using this system branch can submit the daily FC exchange position and head office can generate consolidated exchange report for submission to Bangladesh Bank on daily basis.
30. **Call Center Call Log System:** The module is an integrated module for service cube. The call center agents and supervisors will be given entry to the system for every complain for inbound calls. The module has been also been facilitated for outbound call logs as well.
31. **NPSB (National Payment Switch Bangladesh):** Identify dispute transaction of ATM & POS from ITCL file.
32. **KYC Assessment Rating System:**



Trust Bank Investment Limited

Trust Bank Investment Limited (TBIL), a fully owned subsidiary of Trust Bank Limited, was formed and incorporated on September 09, 2010 as a public limited company under the companies act, 1994 in Bangladesh to handle the capital market operations. The company received permission from the Bangladesh Securities and Exchange Commission on October 25, 2010 as a full-fledged Merchant Bank and started its operation on November 14, 2010 by taking over the assets and liabilities of the Merchant Banking Division of TBL. As a full-fledged merchant bank, TBIL is entitled to undertake all merchant banking activities viz, portfolio management, underwriting, issue management & corporate advisory services.

The capital market of Bangladesh passed a volatile year in 2015. The DSEX index went down by 20% from 4900 points in the beginning of the year to below 4000 by end of April, then went up by 23% and touched 4900 index point again during the August-September period, and ended the year with around 4600 index points, 5% down from beginning of the year. Average daily trade volume went down to Tk. 4,220 million which was Tk. 5,000 million in 2014.



The downward market and the falling trade volume hurt the investors and the institutes alike. Merchant banks had to deal with deterioration of their clients' equity and low return from their proprietary portfolio. In spite of a bearish market trend, the year ended with an overall positive sense in the market due to some investor-friendly changes in the capital market exposure limit for the banks. In this backdrop, operating profit (profit before tax

and provision) of TBIL for the year 2015 increased to Tk. 247.98 million from Tk. 226.49 million in 2014.

Dividend and capital gain from proprietary investment portfolio has become the major source of revenue for TBIL. TBIL is maintaining its own portfolio in compliance with the TBIL Investment Policy duly approved by the Board of Directors. In the year 2015, TBIL has realized a profit of Tk. 147.02 million from its own portfolio investments, including both capital gain and dividend income.

Portfolio management services are the other major sources of earnings for TBIL. TBIL is providing "Portfolio Management Services" to its clients through IDA, BDA, and NIDA accounts. TBIL manages investors' portfolio of its clients valuing Tk. 5,128.71 million against margin lending of Tk. 3,163.75 million as on December 31, 2015. Revenue generating from portfolio management services include Interest on Margin Loan, Portfolio Transaction Fee, Portfolio Management Fee and Annual Charges.

Underwriting is another source of revenue for Merchant Banking Operations. As on December 31, 2015, TBIL has underwriting commitments with 4 (four) issues for a total amount of Tk. 143.83 million.

Business Position of TBIL as on 31st December 2015:

SL	Particulars	As on December 31, 2015
1	No. of Accounts	4,321
2	Total Loan against Securities (Taka million)	3,163.75
3	Total Clients' Portfolio Value at Market Price (Taka million)	5,128.71
4	Average Daily Trade Volume (Taka million)	54.24
5	Average Daily Trade Volume as % of that of DSE	1.28
6	Operating Profit (Taka million)	247.98



Bangladesh has achieved GDP growth of more than 6% in each of last five fiscal years, and is expected achieve the same in this year too. Deposit rate has come down to around 6% in most of the commercial banks and consequently lending rate has come down to around 11%. These developments in the national economy and business environment indicates that, the capital market is very much poised to have a good year in 2016. TBIL is well equipped to capture this potential uptrend as well as to safeguard itself against any adverse movement in the market.

Trust Bank Investment Limited at a glance:

(Figure in Taka million)

Sl. No.	Particulars	2014	2015
1	Deposit	108.22	53.21
2	Loans	4,578.90	3,163.75
3	Total Income	287.65	319.03
4	Total Expenditure	61.16	71.05
5	Operating Profit/(Loss)	226.49	247.98
6	Borrowing	58.49	129.82

Trust Bank Securities Limited:

Trust Bank Securities Limited (TBSL) is a fully owned subsidiary of Trust Bank Limited (TBL) and corporate shareholder of Dhaka Stock Exchange Ltd (DSE). TBSL is the full service Depository Participant (DP) of Central Depository Bangladesh Ltd. (CDBL). TBSL offers full-fledged brokerage services that include BO account and trading account opening; securities trading for individual clients, institutional clients and asset management companies (AMC's); Dematerialization, Rematerialization, pledging, un-pledging and confiscation of securities; Settlement, Transfer and Transmission of Securities and other DP services. TBSL is also providing public issue application process (PIAP) services to its clients. The Company maintains its own portfolio in dealer account. TBSL has a rich and competent Board of Directors and the company is operated by a team of highly skilled and qualified professionals.

TBSL has opened Dilkusha Branch at Peoples Insurance Bhaban (12th Floor), 36, Dilkusha C/A, Dhaka-1000 on 27 April, 2015 after getting permission from Bangladesh Securities & Exchange Commission (BSEC). The company is now providing its brokerage and other services from its Dilkusha branch as on 01 June, 2015.

The year 2015 showed mix trends in terms of return and volume of trade. The year started with negative trend of indices and marked upward trend in the second half of the year. Though the market was in positive trend, the instability was a normal phenomenon due to lack of client confidence and poor response from the market participants. A lot of reforms and corrective measures were taken by the regulator since 2011, but there was no effect with those reforms. It is expected that the market will be bounced back and stable in future.

The operational activity of the company is securities transactions at DSE. Despite the volatility in the in capital market, TBSL performed better than the previous year in every aspects. The total trade volume of TBSL remained steady in terms of turnover percentage with the prime bourse through the active participation of both institutional as well as retail investors. Trading took place on 244 days throughout the year and average daily turnover of DSE was Tk. 422.40 crore. Proportion of TBSL turnover in total turnover of DSE is 0.58% which was 0.35% in the year 2014. Total market capitalization of DSE stood at Tk. 3,15,975.70 crore as at 31 December 2015 while it was Tk. 3,25,924.60 crore as at 30 December 2014. Total number of listed securities in DSE is 559 of which 287 companies, 41 mutual funds, 8 debentures, 221 treasury bonds and 2 corporate bonds (as at 31 December, 2015).

TBSL performed better during the year 2015 from the previous year. During the year 2015, the company earned a total operating income of Tk. 166.53 lac which was 119.38 lac in the year 2014. After deducting direct expenses of Tk. 18.93 lac, profit before operating expenses stood at Tk. 147.60 lac which was Tk. 108.60 lac in the year 2014. On the other hand, total operating expenditure was Tk. 106.11 lac in the year 2015 which was 98.30 lac in the year 2014. Therefore, net profit before tax stood at Tk. 41.50 lac which is 303% higher than the previous year. After provisioning of income tax and others, net profit after tax stood at Tk. 11.95 lac which was (11.29) lac in the year 2014.



The overall performance of TBSL between the year 2014 and 2015 is shown in the following table:

Amount in Taka

SI	Particulars	2014	2015	Increase/decrease
1	Total no of Individual BO A/C	242	391	62%
2	Total no of Institutional BO A/C	10	17	17%
3	Total No. of BO A/C	252	408	62%
4	Total No. of Employees	07	09	29%
5	Total operating income (Tk)	1,19,38,267	1,66,53,075	39%
6	Direct expenses (Tk)	10,78,086	18,92,582	76%
7	Profit before operating expenses (Tk)	1,08,60,181	1,47,60,493	36%
8	Total operating expenses (Tk)	98,30,429	1,06,10,885	8%
9	Net profit before tax (Tk)	10,29,752	41,49,608	303%
10	Provision for income tax & Others(Tk)	21,58,817	29,54,889	37%
11	Net profit/(loss) after tax (Tk)	(11,29,065)	11,94,719	206%

Human Resources Division – Towards a culture of performance

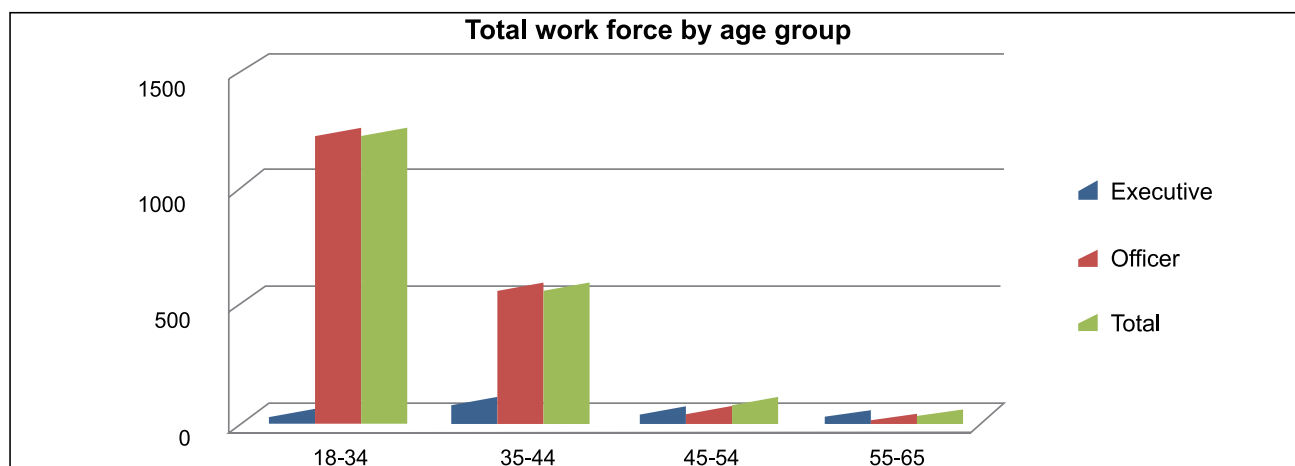
Trust Bank is prospering with time and is moving towards a performance driven culture; a culture where we create internal leaders who can take the organization to new heights. We explore the employee's full potentials and provide them optimum development opportunity. We do not only hire the right person for the right job, we also develop their skills and abilities and shape their career. We believe "Together we achieve more". Therefore HRD works relentlessly to contribute in TBL's success. We provide best working environment, establish healthy relationships, invest in human capital and recognize performance. We are also concern about the work-life balance and employee engagement. In this regard, we keep organizing events for the employees that boost employee engagement and also help balancing work-life crisis.

Manpower status

As one of the most renowned Banks, TBL is an employer of choice. Every year hundreds of fresh and experienced employees are joining TBL and also there are some separations. A comparative position of last few years on the number of employees is as follows:

a. Total workforce by age group:

Age Group	Executive	Officer	Total
18-34	1	1208	1209
35-44	74	485	559
45-54	44	26	70
55-65	15	1	16
Grand Total	134	1720	1854





b. Year wise Gender Position of last 4 (four) years:

Year	Male		Female		Total
	Nos.	Percentage	Nos.	Percentage	
2012	956	73.60%	343	26.40%	1,299
2013	1108	74.97%	370	25.03%	1,478
2014	1254	74.91%	420	25.09%	1,674
2015	1,392	75%	462	25%	1,854

Recruitment

People's potential is not what they are today but what they can be tomorrow. In Trust Bank Limited we do not only believe in hiring the best but also to get the best out of the hired employee. We have initiated e-recruitment for the past few years and all the recruitment process is done through the systems. We ensure recruiting people with best attitude and positive mind frame. We are an equal opportunity employer and our recruitment process is designed to attract and hire people having positive attitude and mind set along with talent and skill. We have been working for developing our employer image by hiring, developing and retaining the best available resources. Our Bank is expanding with a view of "Financial Inclusion" and consequently we are recruiting and placing people from and to different regions. This is not beneficial for the Bank or the respective employee only but also for the rural and national economy.

This year we recruited a total number of 228 regular employees out of which 37 MTOs, 40 JOs, 75 TACOs and 26 TAOs as fresh entrants and the rest in different positions as lateral entrants. The changes in recruitment status in last two years are given below:

Employment	Year	
	2014	2015
Regular	291	228
Temporary	23	54
Total	314	282

Training & Development

Cost incurred for training and development is not a cost rather it's an investment. TBL has always been investing on its employees and developing skills and abilities of the human resources to convert into human capital. We have our own Training Academy that comprises of modern facilities and technologies and a very healthy environment for learning. The Training Academy has its own training calendar which is developed and maintained by the academy itself along with the assistance of HRD. Based on Training Need Assessment (TNA), we focus on both Functional Training and Leadership Training.

- Functional Training:** Many functional training i.e. Corporate Banking, Retail Banking, SME Banking, International Trade, Treasury, BASEL, IT related trainings are arranged both in TBL Training Academy and external sources. We also have sent our employees for foreign/international training and conference for exposure to international banking practices.
- Leadership Training:** TBL is run by qualified and efficient bankers who are also good leaders. From its inception to till now, we have produced many potential leaders who have taken the bank to new heights. Yet, our thirst for excellence has not been satisfied but increased with time. We have constantly upgraded the capacities of our Management by providing them functional and soft skill trainings. Apart from other trainings the following distinguished soft skill trainings were arranged for different levels of the bank in the year 2015:-



➤ **Leadership Excellence Training for Management:**

This year, we have arranged “Leadership Excellence Training” for the Management where they were introduced with the modern tools and techniques of leadership. The top level Management including the MD and DMD also participated in the training.

➤ **Personnel Excellence Training for MTOs:**

We believe in developing leaders rather than hiring. Consequently, our MTO development program which is called “eVo/ve” is designed with on the job, off the job trainings such as functional rotations in branch, head office rotation, foundation training at BIBM, Advance training at TBL Training Academy. The MTOs go through extensive yearlong learning and are tested time to time by means of presentations and assessment tests. They were also given a “Personnel Excellence Training” for better understanding of leadership and behavioral aspects.

➤ **Branch Management Training for Potential Managers:**

It is an in house training facility provided to the potential employees who have the ability to become a Manager in the near future. This training focuses on the managerial needs in order to run a branch as manager. Training Academy arranges this training according to the training calendar.

The overall training scenario for the year 2015 is as follows:

Training	Year 2014		Year 2015	
	Training Program	Participants	Training Program	Participants
In-house (TBL Training Academy)	25	799	29	966
Local (BIBM & others)	129	395	137	361
Foreign	4	11	10	11
Total	158	1205	176	1338



A Leadership Excellence training program for senior executives was held at BIPSOT (Bangladesh Institute for Peace Support Operating Training) in Rajendrapur.



Employee Engagement

Behind every success of TBL, there is hard work and devotion of the employees from all level. The employees of the Bank spend most of their time in the bank, for the bank; which leaves them very little time to spend for themselves. Employees of TBL consider the bank as their second home and the bank itself is considered as a family consisting of employees as its members. Therefore, the management of the bank is positively concerned about the employee engagement issues and is committed to ensure improved personal life as one cannot give optimum output without enough scope for recreational activities.



Employees of TBL celebrating Pahela Boishakh- Bengali New Year at Trust Bank Limited, Head Office

Indoor Sports Carnival

In the year 2015, TBL has organized an “Indoor Sports Carnival” for the first time where many events like Badminton, Table Tennis, Chess, Carom, Dart Board were included. The carnival was celebrated in Head Office and the branches all over Bangladesh with great enthusiasm and joy. The Carnival provided a platform to establish rapport with each other in the bank. The event was highly motivating and made the employees feel more affiliated with the bank. It was a good recreational opportunity for the employees of TBL where the participation level was very high. We found the hidden talents of the employees apart from their working abilities. The Management also participated in the event and demonstrated great sportsmanship. The “Indoor Sports Carnival – 2015” was a grand success with participation from every level and contributed significantly for employee engagement.

Communication through Newsletter

Trust Timeline is another tool that we use for a 360 degree communication and networking. The Timeline is a periodic Newsletter which is published twice a year. The Timeline consists of messages from the top level comprising of Chairman, Vice- Chairman, MD and DMD. It also publishes other information regarding where we are and where we are going. It enables the employees of the bank to be updated about the recent events and programs. It also helps to build a strong network among the employees. Employee participation is assured through publication of pictures of events, personal achievements, blessing messages, in-house/ Bangladesh Bank circulars, health and hygiene tips and quiz competitions. The Timeline is distributed in all the branches and all divisions of head office and is appreciated by all the concerns.

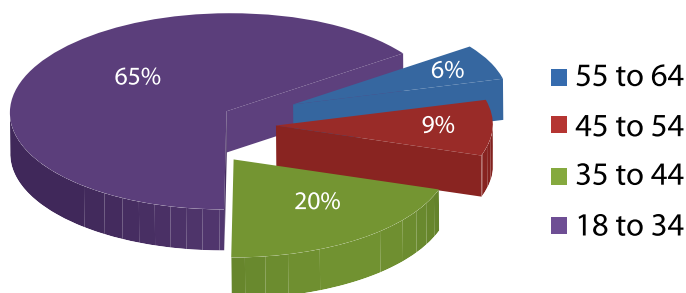


Employee Turnover

TBL is an employer of choice and the separation rate in this bank is very low comparing to the industry practice. Moreover we have managed to reduce the number of separation this year. An overall picture of employee turnover for the year of 2015 is shown below:

Gender	Age Group	2014	2015
Female	Over 65	-	-
	55 to 64	-	1
	45 to 54	2	1
	35 to 44	6	5
	18 to 34	8	10
	Total	16	17
Male	Over 65	-	-
	55 to 64	2	2
	45 to 54	-	3
	35 to 44	6	4
	18 to 34	51	20
	Total	59	29
Grand Total		75	46

Employee Turnover at TBL on 2015



Compensation & Benefit Strategy

TBL offers competitive compensation and benefit packages comprising of salary, bonus, increments and other facilities i.e. Provident Fund, Gratuity, Superannuation Fund and Hospitalization benefits to hire good potentials from the market. We have already set the ground for a performance driven culture and that reflects in our compensation and benefit strategy as well. This year we have applied a performance based increment policy where the rate of increment was directly related with the performance ratings. Apart from attractive compensation and benefit package, TBL also offers credit facilities i.e. Staff Any Purpose Loan, Loan Against Salary, Staff House Building Loan, Staff Car facilities (for executives) etc. to its employees.

Organogram & Succession Planning

TBL HRD has always been active to stay competitive and establish TBL as a benchmark in the industry. In pursuit of that, HRD has updated and amended several policies time to time. Recently a professionally designed Organogram is approved by the honorable Board of Directors. The Organogram is unique in nature and defines the standard of manpower of specific branch and division along with specific roles and designation. Every position in the organogram has defined career progression opportunity for the employees which will help us to formulate and implement the succession planning of our Bank appropriately.

Operational Strategy of TBL

“Operations Division is entrusted with overall operational risk Management of the Bank. Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk.”

Operational risk management is at the core of a bank's operations - integrating risk management practices into processes, systems and culture. The aim of operational risk management is to keep its people up-to-date on problems that have happened to other financial institutions, allowing it to take a more proactive approach. Banks and financial institutions are undergoing a turnaround and today face an environment marked by growing consolidation, rising customer expectations, increasing regulatory requirements, reproducing financial engineering, uprising technological innovation and mounting competition. This has increased the probability of failure or mistakes from the operations point of view – resulting in increased focus on managing operational risks.

Trust Bank has implemented an operational risk umbrella that encompasses all aspects of potential risks - Bank protection, fraud prevention, business line risk oversight, regulatory compliance, business continuity, contingency plan, loss of physical asset etc. A consistent and effective operational risk management framework helps us to achieve organizational objectives and superior performance by including a well-constructed operational risk



process in the entire value chain. To address the operational Risk and increase efficiency, Trust Bank focuses on the following issues:

- 1) Good Governance.
- 2) Strong operational Strategy.
- 3) Clear Definition & Communication of Policy.
- 4) Periodic evaluations based on internal & external changes.
- 5) Assessing economic environment.
- 6) Understanding changes in customer's demand.
- 7) Marching with newer technology & System.
- 8) Clarified personal accountabilities, roles and responsibilities.
- 9) Self-Assessment of risks.
- 10) Strong Internal Control & Compliance culture.
- 11) Anti-fraud internal control mechanism.
- 12) Abide by the regulations and regulators.
- 13) Cost effectiveness.
- 14) Customer's satisfaction.

Risk Management System

Risk Management is the integral part of Bank business. The Bank takes various types of risk, the most important of which are credit risk, market risk and operational risk. The identification, measurement, monitoring and management of risk remain a key focus area for the Bank. Sound risk management and balancing risk-reward trade-offs are critical to the Bank's success. Business and revenue growth are therefore to be weighed in context of the risks implicit in the Bank's business strategy. Trust Bank Limited has in place, sound Risk Management Architecture established by the active involvement and supervision of Board of Directors. The Board of the Bank has constituted a Risk Management Committee which lays down the parameters establishing the framework for Risk Management. Under the Board level Committee, the Risk Management Committee of Executives functions to ensure the guidelines approved by the Board are implemented and adhered to. It guides the policies, procedures and systems for managing and controlling various risks. The Committee reviews risk level and direction, portfolio composition, risk appetite for all risks and also the stress tests for each risk.

Trust Bank has a Risk Management team that reports directly to the Senior Management and working under the guidance of Bangladesh Bank. The overall risks faced by the Bank and the risk appetites are evaluated by the team which develops policies and procedures, verifying the models that are used for pricing products, identifying new risks etc.

The Bank has implemented the BASEL III Capital Regulations from January, 2015, by computing the Capital and Risk weighted Assets as per Bangladesh Bank guidelines on "Risk Based Capital Adequacy" published in December, 2014. The Bank adopts standardized approach for Credit and Market Risks and Basic Indicator Approach for Operational Risks.

The Bank has put in place the required policies and guidelines to manage various types of Risks apart from the overall Integrated Risk Management to measure, monitor and control the risks and with the objective of integrating all the risks of the Bank.

Issues of Risk Concern

Risk Management is the prime concern and the core function that makes business sustainable of a bank. Risk is defined as the possibilities of losses, financial or otherwise. Risk management is the continuing process to identify, analyze, evaluate and treat loss exposures and monitor risk control and financial resources to mitigate the adverse effects of loss. The idea behind using risk management practices is to protect business from being vulnerable. In the banking arena risk is inevitably associated with its business. The prime objective of the risk management is that the bank evaluates and takes well calculative business risk and thereby safeguards the bank's capital, its financial resources and profitability. It ensures resources and profitability. It also ensures sustainable business and the growth of the organization.

Credit Risk Management

Credit Risk refers to the probability of loss due to borrower's failure to make payment on any type of debt. Credit risk arises from the potential that a borrower or counterparty will fail to perform an obligation. The goal of credit risk management is to maximize bank's risk-adjusted rate of return by maintaining credit risk. Effective



credit risk management strives for ensuring sustainable growth with a view to attaining maximum level of shareholder's benefit. Credit risk includes market risk, interest risk, foreign exchange risk,, financial risk, sale risk, supply risk, business risk, management risk, structural risk, informational data risk, technological risk etc.

TBL strictly follows suitable credit risk management tools and techniques in respect of credit approval procedure in order to assure safe and sound credit portfolio. The assessment process at office starts by the relationship manager/officer and ends at credit risk management division when it is approved. Proposals beyond their delegation are approved/declined by the credit committee or by the executive committee or by the Boards of Directors.

In determining single borrower / large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodical intervals to ensure compliance of bank's and regulatory policies.

Centralized credit operation approach

TBL is determined to keep credit risk at minimum level. So, Credit Administration Division (CAD) performs excellence by adopting centralized credit operation approach. Increased focus has been attributed in managing credit risk in post sanction level. To mitigate various risks arising from branch level, limit setting authorization has been centralized with confirmation of completing of documentation clearance. As on 31 December 2015 75 numbers of branches are under the umbrella of centralized credit limit authorization process. Gradually all branches will come under this process by the year of 2016.

Monitoring

Regular monitoring helps to minimize risks. Standard asset quality is ascertained when strong & regular monitoring is assured. Active & dynamic TBL monitoring cell can scrutinize and diagnose any risk resulted from probable deterioration of asset quality. In every branch of TBL, respective team looks after condition of credit portfolio and takes proper initiatives to uphold strong credit condition. Bank's Credit Administration Division looks after the credit health from disbursement to final adjustment of all kinds of credit facilities.

NPL Administration

Established system of the bank provides early alert for any loan account tends to be non-performing which alarms for taking early precautions & necessary steps to avoid classification. After disbursement, each loan goes under regular monitoring and review to keep its status standard.

Initiatives Taken for Recovery

TBL has an effective loan recovery system of its own. Some distinguished techniques or tools are followed as stated below for the purpose of loan recovery.

1. Regular follow up.
2. Analysis of cash flow statement of clients.
3. Analysis of stock report.
4. Review of account receivables.
5. Visit of the business location.
6. Meeting with clients.
7. Client – wise review of overdue a/cs.
8. Past due meeting with Branches.
9. Marginal / Early Alert a/c's monitoring.
10. Watch listing of less performing / problem clients.

Watch listed accounts are marked for special care. Our team of recovery monitoring unit pay their close attention to those accounts and find out the causes of deterioration of repayment performance. Proactive management action for recovery is adopted appropriately for the following:

1. Client wise follow-up.
2. Monitoring of client's business.
3. Meeting with less performing/ problem clients.
4. Auction sale of mortgaged property.
5. Case filing.
6. Settlement conference through court (ADR).
7. Exit treatment for less performing / problem clients.
8. Rescheduling/ Restructuring of loan.



Credit Quality/ Performance

Credit is the life blood of bank or financial institution and thus the status of Credit portfolio is the reflection of any bank or lending institution or financial institution's health condition. To uphold the significant credit health condition, our Board of Directors as well as Top Management are always well aware of & their supervision, close monitoring, guidance & direction throughout the year could keep NPL composition below 3%. Our all out effort ended the year 2015 with NPL ratio of 2.74%. Our determination is to continue this inspiration for the year 2016 to bring down NPL ratio to a minimum level.

Loans & Advances/ Investments

To ensure sustainable growth & gradual development, the bank being compliant continued its credit operation in 2015. In spite of vulnerable situation in the financial sector in 2015, loans & advances of the bank grew positively & stood at BDT 128,438.16 million (excluding OBU) as on 31 December 2015 as against BDT 103,767.59 million showing a growth of 23.77% over the year 2014. TBL is regarded one of the leading banks in the country proving its ability & capacity in connection with Compliance & Risk Management. TBL has extended its credit facility to almost every sector & could build up an excellent image maintaining a sound portfolio with risk mitigation.



Trust Bank has signed an agreement for availing Long Term Financing Facility under Financial Sector Support Project (FSSP) with Bangladesh Bank. Ishtiaque Ahmed Chowdhury, Managing Director & CEO of Trust Bank & Md Ahsan Ullah Project Director of FSSP, signed the agreement on behalf of Trust Bank and Bangladesh Bank respectively.

Loan Classification & Provisioning

TBL always maintains its loan portfolio with proper classification & provisioning complying rules & regulations set by Bangladesh Bank. Required provision is kept to minimize future risk of loss. Bank classifies loan on the basis of objective criteria & qualitative judgment. Special care & initiatives are taken to keep the loans standard & strong drives are given to reduce the percentage of Non-performing Loans by way of cash recovery & regularization through rescheduling. At the end of 2015, classified loans of the Bank has stood at BDT 3,588.48 million & BDT 3,657.70 million has been kept as provision against classified, unclassified loans, off



balance sheet & offshore banking business which is around BDT100.00 million in respect of required provision complying the following rate:

General provision on	Provision Rate
a) Consumer Financing (House Financing)	2%
b) Consumer Financing (Loans to professional)	2%
c) Consumer Financing (Other than a & b)	5%
d) Small and Medium Enterprise Financing (SMEF)	0.25%
e) Short Term Agriculture & Micro Credit	2.5%
f) Loans to BHs/MBs/ Sds against Shares etc	2%
g) All other credit	1%
h) Special Mention Account	0.25% to 5%

Specific provision on	
a) Substandard Loans and Advances	
i. Short term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	20%
b) Doubtful Loans and Advance	
i. Short term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	50%
c) Bad / Loss Loans and Advances	100%

Asset Liability Management Risk

Asset Liability Management (ALM) especially focuses on 'Balance Sheet Management'. It covers the widest range of the banking activities in day-to-day operation. Introduction of ALM in a bank simply ensures the existence of healthy and prudent asset liability management system in the institute. In the complex banking era, there are so many risk factors any one of which is good enough to a negative growth. Therefore, identification of factors and effective control over those are important and essential. Under the ALM system, it is ensured that then senior management would be attentive to balance sheet items for the great interest of the bank. As per Bangladesh Bank guideline, Trust Bank Limited (TBL) has formed a committee of Assets and Liability Management called ALCO (Assets Liability Management Committee).

ALM has been designed under main 4 (four) broader heads including (i) Understanding of Asset Liability Management (ALM), (ii) Strategy for ALM, (iii) Operational policy of ALM and (iv) Review, Monitoring & Control.

Understanding part has described the ALM from different angle along with the major risk forces prevailing in the financial market. Strategic policy guideline that the TBL has set on some particular issues such as AD Ratio (Advance Deposit Ratio), MCO (Maximum Cumulative Outflow), determination of interest rate on deposits, determination of Interest rate on Inter Bank General Account (TBL Gen A/C), Wholesale Deposit Guideline (WDG), Commitments, Placement Limit with other Banks, Liquidity Contingency Plan, Regulatory Compliance, etc. Moreover a good number of specific reporting formats have been embodied covering almost every corner of information sector that will help the management to take their decision. Operational part explains the structure of ALCO along with meeting, agendas, ALCO papers etc. need to be followed on regular basis by the Bank. Finally, last part includes overall monitoring and control measure purview of the stated policy guidelines of the Asset Liability Management of the Trust Bank Limited.

Liquidity Risk Management

The risk that bank or business will be unable to meet its commitment as they fall due leading to bankruptcy or rise in funding cost. It is the solvency of business and which has special reference to the degree of readiness in which assets can be converted into cash without loss. Banks traditionally use the statutory liquidity reserve and their borrowing capacity in the volatile interbank money market as the source of liquidity. But a conscious approach to measure and monitor the liquidity is somewhat lacking in our market. We can learn and draw immense benefit by sharing the best practices, tools and techniques of liquidity management. Liquidity Risk arises from funding of long term assets by short term liabilities, thereby making the liabilities subject to rollover or refinancing Risk.



Interest Rate Risk Management

Interest rate risk is the exposure of a bank's financial condition to adverse movements in interest rates. Accepting this risk is a normal part of banking and can be an important source of profitability and shareholder value. However, excessive interest rate risk can pose a significant threat to a bank's earnings and capital base. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. Changes in interest rates also affect the underlying value of the bank's assets, liabilities and off-balance sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change. Accordingly, an effective risk management process that maintains interest rate risk within prudent levels is essential to the safety and soundness of banks.

Internal Control & Compliance Risk Management

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it, risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the internal control processes are in place. As per instruction of Bangladesh bank the Audit Committee of the Board has been constituted to assist the board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2015, 05 meetings of the Audit Committee were held. The Bank has introduced 'Risk Based Internal Audit (RBIA)' to assess the business risk as well as control risk associated with the branches, and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory, and which may pose a potential threat for the bank.

Each year the IC&C Division sets out an audit plan (internal) for the year which is approved by the Managing Director & CEO and placed before the Audit Committee of the Board for concurrence. In 2015, IC&C Division conducted comprehensive audit in 97 branches and 19 divisions /departments at Head Office of the Bank. In the same year the internal audit team of IC&C division carried out 50 Spot Inspections and 34 IT Audits in different branches. In addition, audit was also conducted in 06 TBIL branches & Trust Bank Investment Ltd, Head Office and 1088 nos. pay points for Mobile Banking operations in the year 2015.

With the regular spot inspection on different areas of banking operations, bank has also carried out 38 nos. Spot Inspection on 'Anti-Fraud Internal Control' (AFIC) to develop Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in Bank.

IC&C Division, Head Office monitors, supervises and ensures the total process of data uploading in the Web portal of Bangladesh Bank under Integrated Supervision System (ISS) introduced by Bangladesh Bank in the year 2015. The Bank regularly reports data/information of both the Head Office and all Branches through ISS form in the web-portal of Bangladesh Bank. A draft Operational Guideline/Manual on ISS Reporting has developed / formulated to ensure authentic reporting of MIS data of the Bank, generating error-free correct ISS datum and reporting all related datum, timely in Bangladesh Bank ISS Web Portal. In 2015 ISS Department, Head Office has been arranged 11 nos. training on ISS reporting where 52 Executives under 'Ka - Focus Group' and 542 Officers under 'Kha - Focus Group' were given training.

IC&C Division looks after the activities of Complaint Cell of Head Office and handles the complaints of the customers received directly from FICSD (Financial Integrity & Customer Services Department), Bangladesh Bank and other sources. A 'Guidelines for Customer Services & Complaint Management' of Trust Bank Limited has been developed in the year 2015, which was approved by the Board of Directors of the Bank in its 240th (09/2015) meeting held on 22.07.2015. IC&C Division also provides operational and managerial guidance uniformly to all personnel of TBL family to handle and manage the customer's complaints satisfactorily, quickly, effectively and efficiently. In the year 2015, 70 nos. complaints were received from different sources (like Bangladesh Bank, Individual Customers, etc. and all complaints were settled / resolved.



In order to make the policy manual time befitting, the existing 'Internal Control & Compliance Policy Manual' has been revised in the year 2015, which was approved by the Board of Directors of the Bank in its 234th (03/2015) meeting held on 30.03.2015.

IC&C Division of the bank ensures its Internal Control Process through review of Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL) and Quarterly Operations Report (QOR) of the branches and other mechanisms.

At the end of the year a summary report on audit findings and corrective action taken, is placed in a meeting of the Audit Committee of the Board for information and necessary advice/suggestions. To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 23 August, 2015 to review the compliance / implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

Anti-money Laundering Risk Management

Money Laundering and Terrorist Financing become a major issue of the globe. Worldwide governments are spending a considerable amount of their budgetary expenditure to protect the economy from the financial criminals; to keep the economy & society safe. Banks have become a major target of money laundering operations and financial crimes because they provide a variety of financial services and instruments that can be used to conceal the actual source of money. Money Laundering hamper the reputation of the financial institution and increase the operational risk of the bank. Thus, without even involvement in any criminal offence, money laundering may be a cause of failure of banking sector of an economy.

Bangladesh has enacted the Money Laundering Prevention (Amendment) Act, 2015 & Anti-Terrorism (Amendment) Act, 2013 which covers all the international standards & requirements and assigned Bangladesh Financial Intelligence Unit (BFIU) to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country sound and compliant as international standards. Trust Bank Limited as a compliant & responsible institution committed to the highest standards of AML & CFT compliance. TBL follows the AML & CFT Risk Management guidelines to mitigate the risk and develop its product & services maintaining the regulatory rules and compliance. Trust Bank Limited considers AML & CFT compliance as a part of its social responsibility & commitment.

In compliance of BFIU guidelines, TBL AML & CFT policy guidelines ensure full compliance of all issues including the following:

1. Mandatory KYC management.
2. Maintenance & monitoring the TP (Transaction Profile) of all the accounts. Monitoring of unusual / suspicious transaction and report to Bangladesh Bank, if required.
3. Submission of Cash Transaction Report (CTR) to BFIU through goAML & FIU on every month.
4. Adequate training are providing to the officials of TBL on AML & CFT.
5. Identification of customer on the basis of risk grading.
6. Identification of Politically Exposed Persons (PEPs) & Local Influential Person (LIPs) customer.
7. Transaction monitoring of High Risk and LIPs account.
8. Declared Customer Acceptance Policy.
9. Automated Sanction Screening of UN sanction list.

For mitigating the risks the bank has a Central Compliance Unit (CCU) comprising of CAMLCO, Deputy CAMLCO and other officials at Head Office. A designated Branch Anti-Money Laundering Compliance Officer (BAMLCO) in every branch is assigned to review the AML & CFT activities and measures.

Corporate Social Responsibility

Trust Bank aims to create great customer experiences, generate increasing value for our shareholders and be an attractive employer in the markets where we operate. To be a foundation of strength, committed to meeting the needs of our customers, serving society, and fostering shared and sustainable growth for a better world, Trust Bank Limited has started its journey under this umbrella from 2008. Trust Bank wish to create a positive impact through all of our roles in society and also generating value for all of our stakeholders.



Integrating Sustainability

Over the past years, we have taken our commitment to a structured and integrated approach to sustainability forward by developing CSR focus areas at the core of our business. This work will continue in the years ahead, leading to Trust having more measurable CSR goals. We want to use our capabilities and competencies not only to have a financial impact, but to have a social impact too.

Administrative setup, budgetary allocation process:

- i) Annual CSR programs in terms of board approved CSR policies of a bank/financial institution is drawn up and implemented by dedicated CSR unit set up its head office or in case of larger programs, by a foundation set up specially for this purpose. Activities of the dedicated CSR units/foundations is under oversight of Bangladesh Bank's CSR supervision department, besides that of the bank's own internal control and audit.
- ii) The dedicated CSR unit/foundation propose budgetary allocations for CSR programs annually for approval of the board of the bank. After obtaining approval from the annual general meeting (AGM) of the bank; the board approve allocations by appropriations from annual post tax net profits.

CSR as part of our identity

Trust Bank is actively committed to building trust in the financial industry by increasing our transparency, improving engagement with our customers and always acting with integrity. Contributing to the society through financial assistance to the cause of social concern is of prime responsibility of Trust Bank Limited. As part of CSR through direct participation program, the Bank established a special reserve fund named "Trust Bank Limited Special Reserve Fund" in 2009. An amount not exceeding 5 percent of Bank's total taxable profit every year is transferred to the fund. As per approved policy of the Bank, 5 percent of total taxable profit of 2014 amounting to Tk. 120.00 million was transferred to the Special Reserve Fund for conducting CSR activities during 2015. We provided financial assistance of Tk. 106.50 million in the year 2015.

Health sector followed by Education and Training dominates in getting major donations under our CSR activities. Under the education and training, we provided core donation to Trust Technical Training Institute (TTTI). In 2015, TTTI received financial assistance of Tk. 16.50 million for building Girl's Hostel and Budgetary expenses. TTTI is providing vocational training to retired and civil young people of the country.



Former Vice Chairman of Trust Bank Limited Lt Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD handing over bank's donated Cheque to Brig Gen Md Nasir Uddin Ahammed, Commandant, Combined Military Hospital (CMH), Dhaka.



PROYASH, school for autistic children with its eight branches in different part of the country received financial assistance worth Tk. 10.00 million in 2015.

Under health sector, Combined Military Hospital (CMH) received Tk. 40.00 million for establishing Cochlear Implant Device and providing medical support to needy patients.

We also provided financial assistance of Tk. 2.10 million to Earthquake victim of Nepal. We distributed blanket worth Tk. 13.42 million to the cold affected people of the country.



Ishtiaque Ahmed Chowdhury Managing Director & CEO of Trust Bank Limited handed over a token of 2000 pcs of Blankets to the Ambassador of Nepal for the Earthquake Victims of Nepal.

Trust Bank donated financial Assistance for participating “World Taekwondo Championship-2015”, 14th National Senior/Junior Taekwondo Competition-2015 & 9th National School Taekwondo Competition-2015 to Bangladesh Taekwondo Federation.

Recently we have given financial assistance for welfare of the people living in the enclave area of Debigonj Upazilla, Panchagarh amounting Tk. 10.00 lac. We have nominated a NGO named Eco Social Development Organization (ESDO) for implementation of CSR Activities in the mentioned enclave area.

Policies and commitments

Trust Bank has board approved CSR policies and CSR activities which are carried out by dedicated CSR desk and monitored & governed by a six members Board of Trustees of Special Reserve Fund of Trust Bank Limited. Every year CSR activities of Trust Bank Limited are audited by competent authority.

This is not about being perfect, it's about striving to become better we have covered range wise allocation for CSR initiatives as directed by Bangladesh Bank guideline is given below :

Sector	Medium	% of total CSR expenditure
Education and job focused vocational training	For scholarships/stipends for students from low income family & for support towards upgrading of facilities in academic and vocational training institutions.	30%
Preventive and curative healthcare	Support assistance would include direct grants towards costs of curative treatment of individual patient, cost of running hospitals and diagnostic centers for under privileged population, and costs of preventive public health.	50%



Others	Emergency disaster relief, promoting adoption of environmentally sustainable output practices and lifestyles, promoting artistic, cultural, literacy, sports and recreational facilities for under-privileged, upgrading facilities and lifesavings equipment in emergency rescue services like fire brigades etc., infrastructure improvement for disadvantaged communities in remote far flung areas and so forth.	20%
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Sector wise allocation of CSR donations of Trust Bank Limited in 2015:

Sector	Taka in million	% of total donation
Education and Training	29.00	23.87
Health	54.10	44.53
Art & Culture (BTV 50 years)	1.00	0.82
Disasters	12.11	9.97
Sports	1.50	1.23
Others	8.79	7.24
Total	106.50	87.66%

End use monitoring of CSR expenditure allocations

End use of expenditure under CSR program of Trust Bank Limited is very satisfactory. Because organizations that received major contributions under CSR activities of Trust Bank are well reputed organizations and are managed by senior members of Bangladesh Army. Organizations to be named among others are : Trust Technical Training Institute, Combined Medical Hospital (CMH), Proyash and different cantonment schools. End use of funds donated for medical treatment of individuals is assumed to be properly utilized in their medical treatment.

Corporate Governance

The Bank has complied with Bangladesh Securities and Exchange Commission (BSEC) notification no. BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 for ensuring Corporate Governance in the Company. As per mentioned notification of BSEC, the compliance status of the Bank has been reported in this Annual Report for information.

Rotation/Appointment of Directors

As per clause 107 & 108 of Articles of Association of the Bank at the ordinary general meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from Office. Accordingly, the respective Directors of Trust Bank Limited will retire at the 17th Annual General Meeting. As per clause 109 of the Articles of Association of the Company and as per Company Act, 1994, the retiring Directors are eligible for re-election.

Auditors' Report

The Board of Directors' reviewed the Auditors Report issued by the Bank's Auditor M/s. Syful Shamsul Alam & Co., Chartered Accountants based on their audit of Financial Statements for the year ended 31 December 2015. The Auditor didn't mention about any material misstatement or significant disagreement regarding review of the Bank's Financial Statements. The auditor issued an unqualified opinion on the Financial Statements of the year 2015.

Appointment of Auditors

Our existing Auditors M/s. Syful Shamsul Alam & Co., Chartered Accountants has successfully completed their second year audit with due care and efficiency. They are eligible to be re-appointed as auditors for next term and they have expressed their interest for re-appointment which is required to be approved by the shareholders in the AGM.



Directors' responsibility for Internal Control & Financial Reporting

The Board of Directors of the Bank is responsible for bank's system of internal control. It has set appropriate policies on internal control and seeks regular assurance that the system is functioning effectively. Through the establishment of the "Audit Committee" the Board of Directors regularly monitors the adequacy & effectiveness of internal control system of the bank.

The MANCOM also reviews the overall effectiveness of the control system of the bank & provide a certificate on yearly basis to the Board of Directors on the effectiveness of internal control policies, practices & procedures.

As per directives of Bangladesh Bank a special meeting of the Board of Directors is arranged annually for reviewing the compliance/implementation status of the observations/recommendations of Bangladesh Bank's comprehensive inspection report of the Bank.

In accordance with Company Law, the directors are responsible for the preparation of the annual financial statements. The annual financial statements conform to Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and fairly present the affairs of the Trust Bank and its subsidiary as at the end of the financial year, profit & loss and cash flows for that period.

Accounting policies supported by judgments, estimates and assumptions in compliance with BAS and BFRS are applied on the basis that the bank shall continue as a going concern. Systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

Based on the information and explanations given by management and the internal auditors, the directors are of the opinion that the internal financial controls are adequate and that the financial records may be relied upon for preparing the financial statements in accordance with BFRS and to maintain accountability for the bank's assets and liabilities.

The directors have a reasonable expectation that the bank and its subsidiary will have adequate resources to continue in operational existence and as a going concern for the foreseeable future. The 2015 annual financial statements were approved by the Board of Directors on 23 March 2016 and signed on its behalf directors.

Responsibilities of the Chairman of the Board of Directors

As the Chairman of the Board of Directors (or Chairman of any Committee formed by the Board of Directors) does not personally possess the jurisdiction to apply policy making or executive authority, he shall not participate in or interfere into the administrative or operational and routine affairs of the bank.

The chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the board along with the statement of the CEO.

Responsibilities and Authorities of the Managing Director

The Managing Director & CEO of the bank discharges the responsibilities and effect the authorities in terms of the financial, business and administrative authorities vested upon him by the Board of Directors. He discharges his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management. He will ensure compliance of the Bank Company Act 1991(amended upto 2013) and or other relevant laws and regulations in discharge of routine functions of the bank.

Thanks and Gratitude

The Bank closed the year 2015 displaying substantial improvement in core areas of operation in terms of volume of business and net profit. This was possible due to the dedicated efforts of the employees of the Bank and sincere cooperation of all concerned. Above all strong liquidity base, prudent fund & credit management, continued guidance and inspiration to the Management by the members of the Board immensely contributed to the overall development. The Board of Directors is indebted to the valued clients, shareholders, business



associates, and numerous well-wishers at home and abroad for their continued support, patronage and trust they reposed on the Bank. The Board of Directors expresses gratitude and thanks to the Government of Bangladesh, Ministry of Finance, Bangladesh Bank, Bangladesh Securities & Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange, Chittagong Stock Exchange and other regulatory bodies for their valuable guidance from time to time.

The Board of Directors also like to place on record the warm appreciation for sincere and dedicated service rendered by the executives, officers and staffs of the Bank that played an instrumental role for sustaining the growth of the Bank.

The Bank aspires to do better in future and with this expectation we place before the esteemed shareholders the accounts of the Bank for the year 2015 for approval.

On behalf of the Board of Directors,

Gen Abu Belal Muhammad Shafiul Huq, ndc, psc
Chairman

Trust
Retail
Banking

listen to
your heart

বিশ্বস্ত উপায়ে বদলে যাক
আপনার জীবনধারা

ট্রাস্ট
কোটিপতি

 **Trust Bank**
A Bank for Financial Inclusion

ট্রাস্ট ব্যাংক
সবসময়, সবখানে, সবার জন্য



Risk Management Report



With progressively increasing globalization of financial markets, the spectrum of risks the banks are exposed to has enlarged and become more complex, requiring efficient systems and mechanisms for identification, measurement, monitoring and management of risk. A robust Risk Management framework enables effective and proactive management of various risks while supporting business growth. Risk Management framework helps to reduce volatility in earnings and enhances shareholder value. It provides single-window view of the risks the Bank exposed to and facilitates effective management of associated risks in an integrated manner. Risk management practices in the Bank have been aligned with best industry practices and being enhanced progressively, adapting to dynamic business environment and market conditions.

According to the latest regulation by Bangladesh Bank, DOS Circular Letter No. 13, Dated: 9th September, 2015 Risk Management Division will be the nucleus of the Risk Management process. So, the achievement and progress in managing banking risks in the banking sector will largely depend on the strength and performance of the Risk Management Division.

Risk Management Committee of the Board

In compliance with BRPD Circular No. 11 dated: 27th October 2013, the Board of Directors of Trust Bank Limited formed a three-member Risk Management Committee (RMC) of the Board on 8th December, 2013. The objective of the committee is to reduce probable risks arising during implementation of Board approved policies, procedures and strategies.

The Members of the Risk Management Committee of the Board of Directors during the year, 2015 and attendance in RMC meetings are noted below:

SL	Name	Status with the Committee	Meeting held in, 2015	Meeting Attendance
*1	Brig Gen Abu Mohammad Munir Alim, BSP, psc,G	Chairman	4	3
2	Mr. Ashrafuzzaman Khan	Member		4
3	Mr. Shahedul Islam	Member		3

*However, Brig Gen Abu Mohammad Munir Alim attended all 03 meetings as he has resigned from the Board on 20th December, 2015.

Roles and Responsibilities of RMC of the Board

The roles and responsibilities of Board Risk Management Committee of Trust Bank Ltd. have been framed in line with the provisions of BRPD Circular No.11, dated 27 October 2013 and other best practices and standards. Some important roles and responsibilities are highlighted below:

- Providing the Board with greater oversight of and advice on the risk management and compliance frameworks.
- Strengthening the governance, effectiveness and resourcing of the risk management and compliance frameworks.
- Arrangement to oversee policies and procedures of risk management.
- Supervise formation of separate committee in management level and activities.
- Monitoring the due execution of core risk management policy and principles.
- Providing steps to examine and approve data preservation and reporting system.
- Making recommendations relating to the risk appetite and particular risks or risk management practices;

Bank Risk Management Committee

For all categories of risks, the Management Risk Committee is responsible for formulating policies, monitoring implementation and reviewing risk reports for presentation to the Board/Board committees as well as implementing Board decisions across the Bank.

Responsibilities of Bank Risk Management Committee:

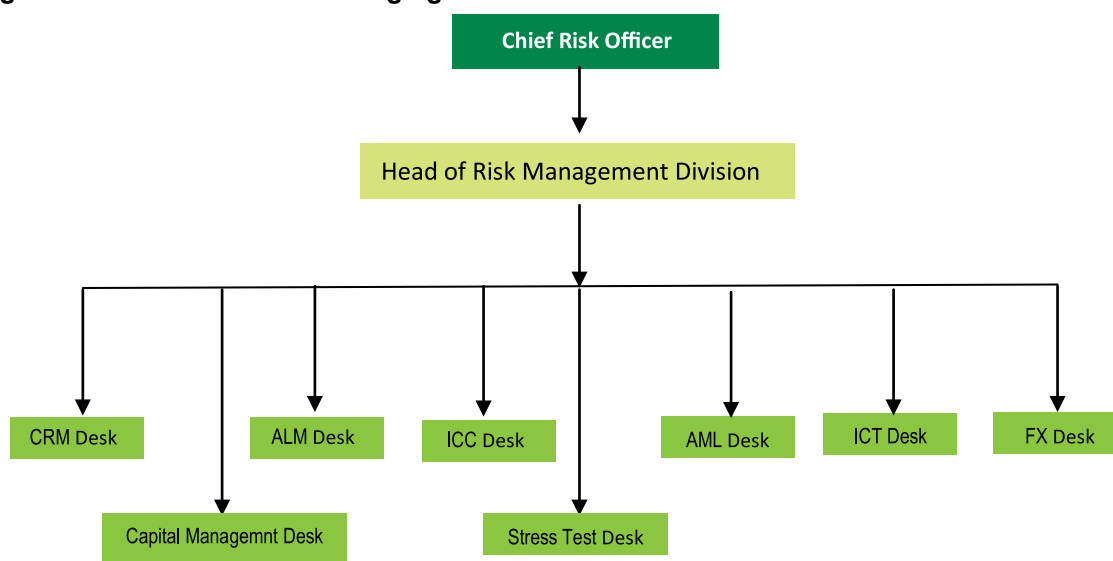
- Implementation of risk strategy approved by the Board of Directors.
- Developing policies and procedures for identifying, measuring and controlling risk.
- Providing appropriate resources to evaluate and control risk.
- Reviewing risk reports on a regular and timely basis.
- Providing all reports required by the Board and its committees for the effective performance of risk management oversight functions.



Risk Management Division (RMD)

In the global risk management literature, risk management division is considered as the second line of defense against risk. Activities of the division display the ability of the division to act as the second line of defense against risk. The Risk Management Division of Trust Bank was established to comply the direction of Bangladesh Bank (DOS(RMSS)/1154/1/2013-61, dated 24-01-2013) for strengthening risk management activities of the bank. RMD looks after effectiveness of the Core Risks Management of the Bank and also ensure the capital management of the Bank under Basel Accords in association with the directives of Bangladesh Bank time to time. RMD is responsible to manage and measure risk on the basis of the bank's approved risk parameters, independently of regulatory requirements and category. It is responsible for designing risk management strategy, establishing risk management policies & procedure, communicating views of Board & Senior Management regarding risk issues throughout the bank, informing Board & All Risk Committee about appetite for risk, measuring & monitoring risk, identifying & quantifying bank's exposure to material loss, independently monitor limits, developing & implementing loss prevention/retention strategy, securing & maintaining adequate loss coverage, periodic stress testing, preparation of monthly risk management paper & holding meeting of All Risk Committee etc.

Organizational Structure in Managing Risks:



Credit Risk Management

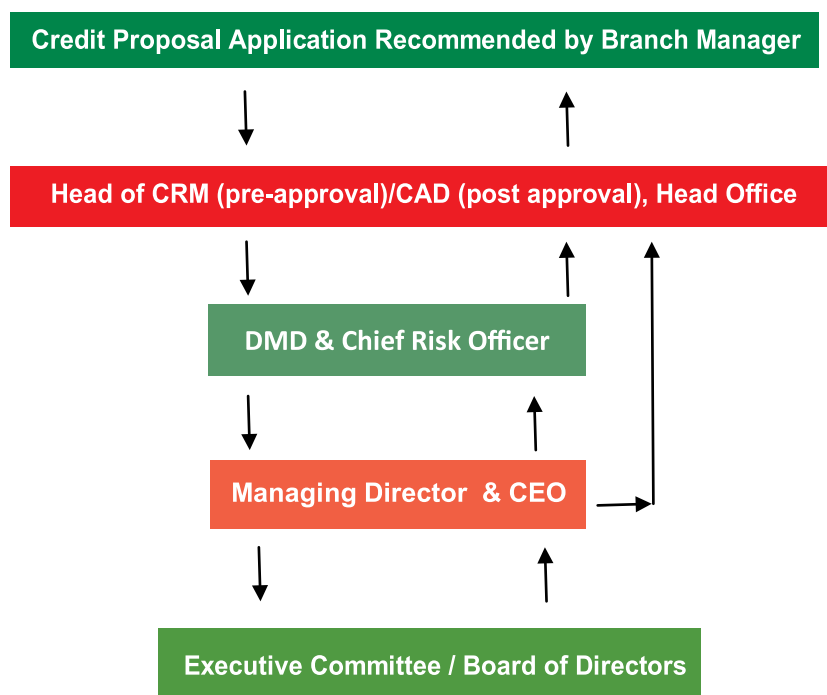
Credit risk is the risk that a borrower is unable to meet its financial obligations to the lender. All credit risk related aspects are governed by Credit and Recovery policy which is approved by our Board of Directors. The Credit policy outlines the type of products that can be offered, categories of customer, targeted customer profile and the credit approval process and its structure.

In order to assess the credit risk associated with any financing proposal, we assess a variety of risks related to the borrower and the relevant industry. The Bank has a structured and standardized credit approval process which includes a well established procedure of comprehensive credit appraisal. Above all Credit condition as well as rating, industry knowledge is constantly updated through field visits and interactions with market players, sector regulators and industry experts. A risk based asset review framework has also been put in place wherein the frequency of asset review would be higher for cases with higher exposure and/or better credit rating.

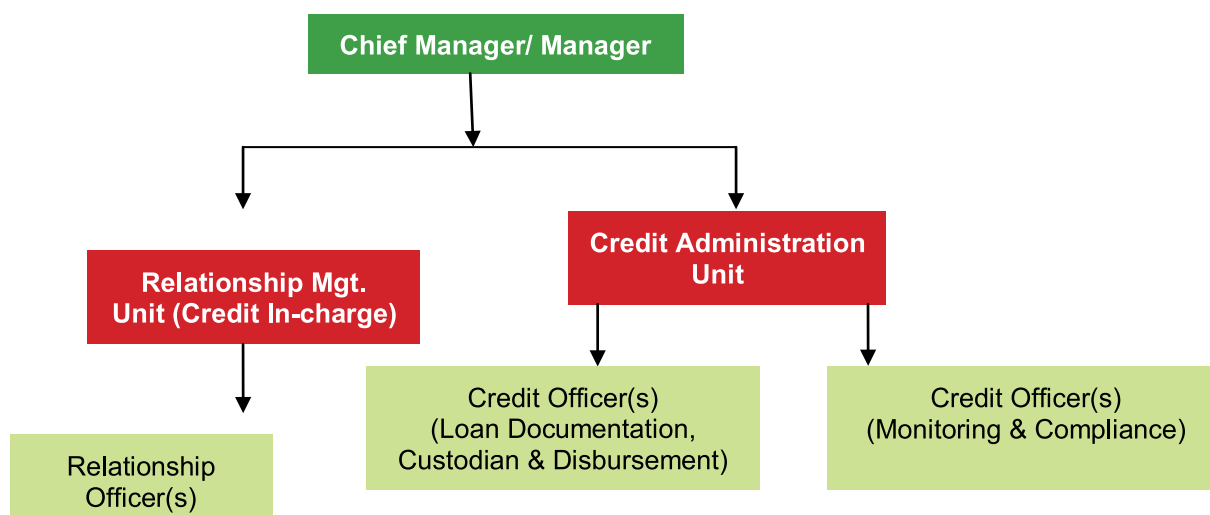
Credit Risk Grading (CRG) is a dynamic process and various models are being followed in different countries for measuring credit risks. For sanctioning and renewing of loan CRG is done. The risk grading system changes in response to meeting emerging requirements of the business environment and the characteristics of the identifiable credit risk components. The Risk Grading of any particular client / borrower is not one time exercise and not only for the new borrowers but, all the existing borrowing concern must be rated and their grades will have to be determined periodically for having better insight of their business status / financial performance. Trust Bank Limited always is in way of complying those risk mitigation path.



The following diagram illustrates the preferred approval process:



Organogram of Credit Risk Management at Branch Level:

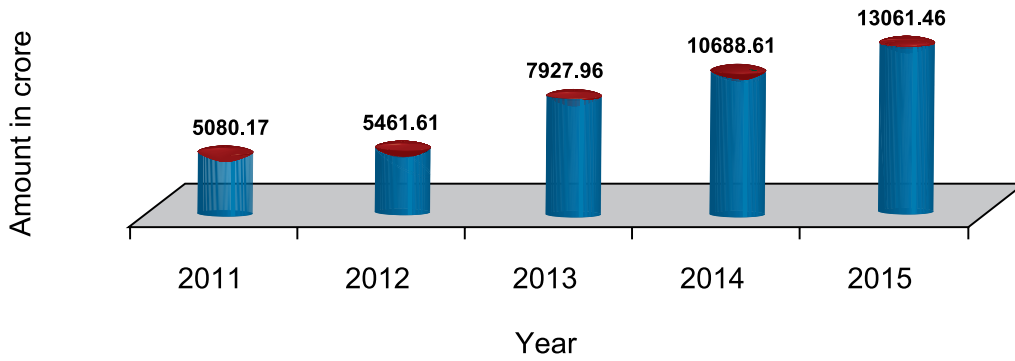


Major Steps taken by Trust Bank Limited to implement Credit Risk Management Policy in 2015:

1. Trust Bank Limited has implemented Centralized Credit Limit Setting System for funding facility to ensure proper documentation procedure.
2. Incorporated Sectoral and Geographical Concentration Cap into the Credit Policy.
3. Updated Loan Documentation Check-List (LDCL) considering Residual Risk under ICAAP report and market need.
4. Amendment in delegation of power for better credit operation.

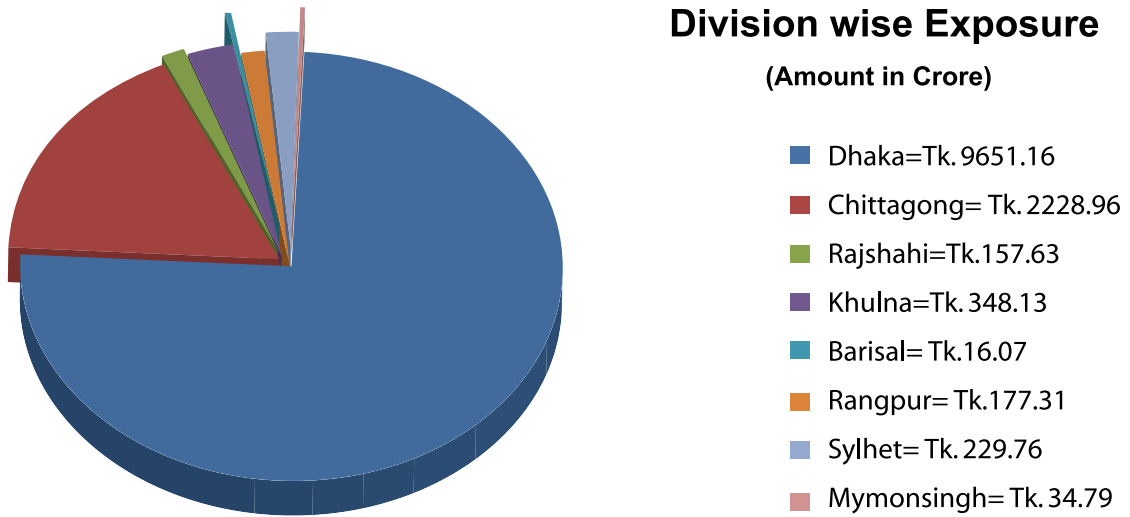


Loans & Advances (including offshore)

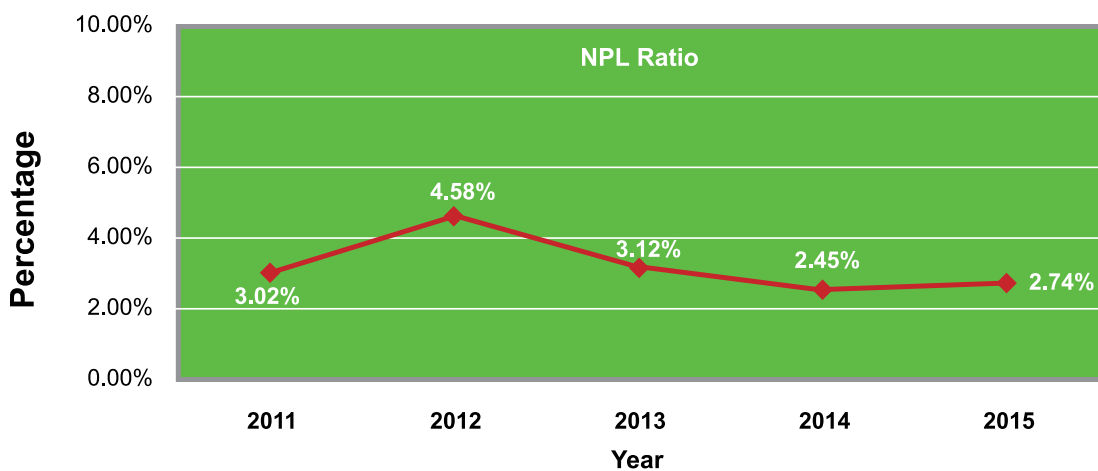


Division wise Exposure

(Amount in Crore)



December, 2015

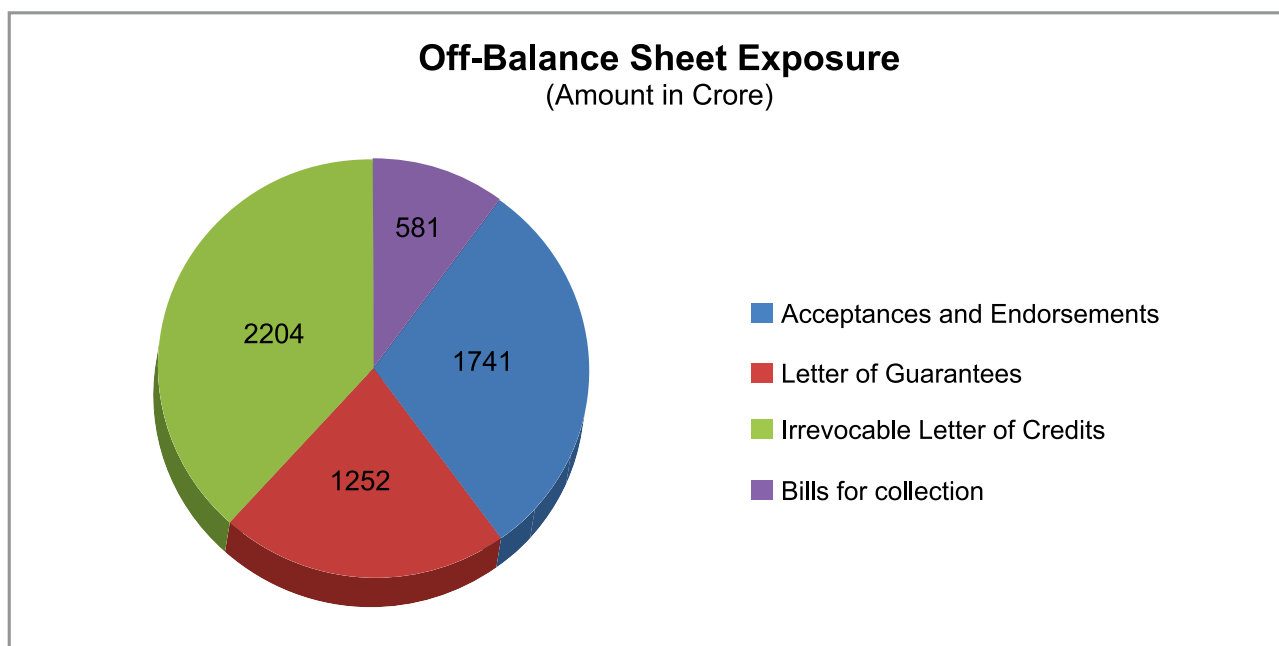




Industry Wise Loan Concentration:

As on December, 2015

Name of Industry	Outstanding (Amount in Crore)
RMG	1,110.17
Textile	622.45
Food and allied industries	236.60
Pharmaceutical industries	142.70
Chemical, fertilizer, etc.	77.47
Cement and ceramic industries	449.42
Ship building industries	18.68
Ship breaking industries	239.48
Power and gas	851.73
Other manufacturing or extractive industries	1,184.18
Service industries	1,125.93
Other	291.05



Trust Bank Ltd. conducts due diligence review which includes identifying inherent risk to the business, verifying value of offered collaterals against a credit facility and indentifying mitigating factors before approving credit facilities. Apart from this, Trust Bank has a strong credit monitoring department responsible for monitoring quality of credit portfolio, indentifying problems and taking initiatives to correct deficiencies thorough a comprehensive loan monitoring system. This department is also in charge of stop unauthorized disbursement of loan and monitoring the compliance issues. Additionally, loan accounts are monitored by higher authority depending upon the size of the exposure in an effort to minimize non performing loan performances.

Market Risk Management

Market Risk arises from changes in interest rates, exchange rates equity prices and risk-related factors such as market volatilities. Market Risk for the Bank emanates from its trading and investment activities, which are undertaken both for the customers and on a proprietary basis. The Bank adopts a comprehensive approach to market risk management for its banking book as well as its trading book for both its domestic and overseas operations. The market risk management framework of the Bank provides necessary inputs regarding the extent of market risk exposures, the performance of portfolios and comparable benchmarks which assists in maximizing the risk-adjusted rate of return of the Bank's trading and investment portfolio.



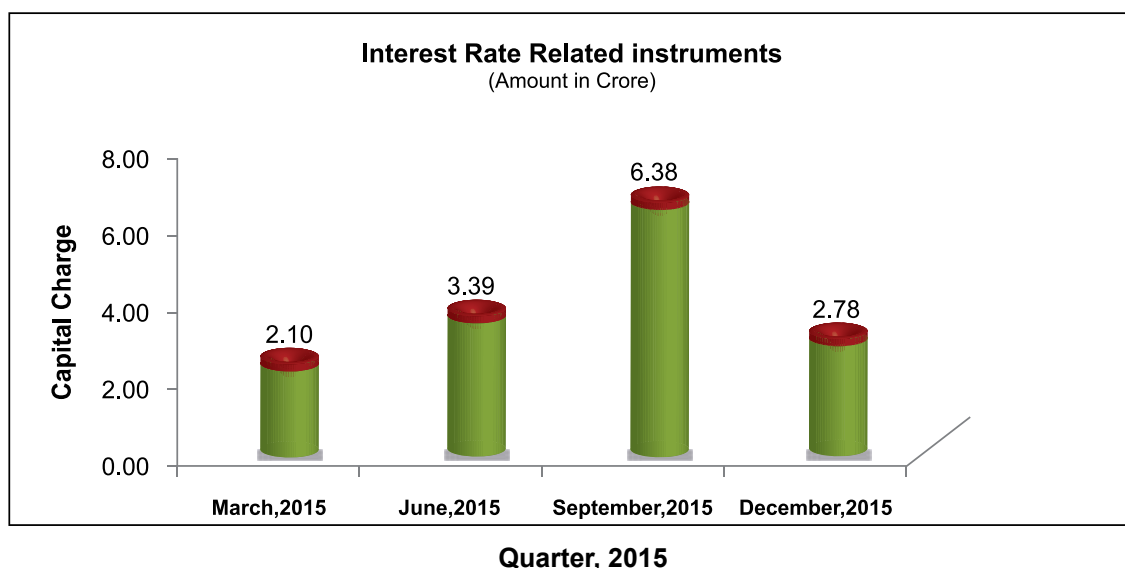
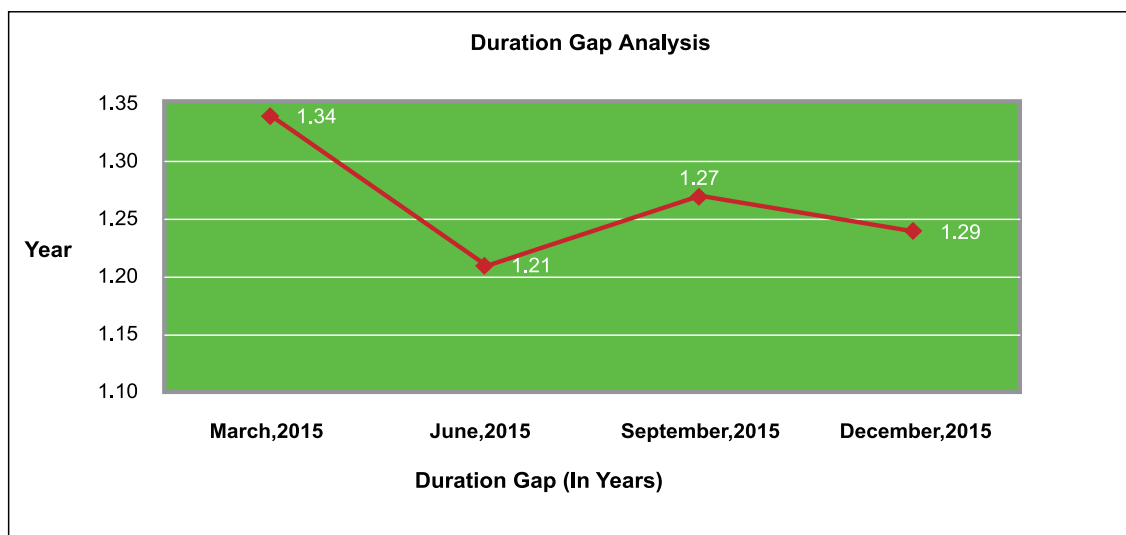
The Bank's Asset and Liability Committee (ALCO) is primarily responsible for the oversight of the market risk. The Bank uses the Standardized Approach to calculate capital charge for market risk as per the current regulatory framework under Basel III. Currently, the Bank calculates 'Value at Risk (VaR)' on a daily basis. Moreover, the Bank also carries out stress testing on regular intervals by applying parallel shocks of changes in market yield. Trust Bank Limited has taken following measures to mitigate Market Risk:

- ALCO (Asset Liability Committee) comprising Treasury and other senior management meets periodically to review present and anticipated future market trend and takes appropriate decisions on interest rates and investments.
- Segregated Treasury Front, Mid and Back Offices to ensure 'check and balance' between functions.
- Separate Investment Division having a well-defined framework for capital market investments.
- Regular reconciliation of all Nostro accounts.

Interest Rate Risk

In the Bank, interest rate risk results from both trading book and banking book. Interest Rate Risk in Banking Book (IRRBB) risk mainly arises through mismatches in re-pricing of interest Rate Sensitive Assets (RSA), Rate Sensitive Liabilities (RSL) and rate sensitive off-balance sheet items in the banking book. Bank assesses and manages interest rate risk in its banking book as well as trading book.

Bank manages and controls the interest rate risk from two different perspectives, namely the earnings perspective and the economic value perspective. It uses earnings at risk (EaR) as a short term risk indicator to assess the sensitivity of Net Interest Income (NII) and Net Interest Margin (NIM) to change in interest rates. From an economic perspective, which is a long term risk indicator, it uses duration approach to determine the sensitivity of economic value of equity (EVE) to changes in interest rates.





Foreign Exchange Risk

Foreign exchange risk is the risk of losing profit by adverse change of foreign currency price. Treasury department is responsible to measure and minimize the risk associated with bank's assets and liabilities including Foreign Exchange Risk. All Treasury functions are clearly demarcated between Treasury Front Office and Back Office. The Front Office is involved only in dealing activities while the Back Office is responsible for related support and monitoring functions. All the Treasury Front and Back Office personnel are guided as per Bangladesh Bank Core Risk Management guidelines. And they have separate and independent reporting lines to ensure.

The Bank has formulated a Foreign Exchange Risk Management manual as per the guidelines given by Bangladesh Bank to measure, monitor, and control different foreign exchange risks. Apart from this manual, the Bank also applies other standard tools to minimize foreign exchange risks. Some of which are given below:

- ✓ Maintaining Net Open Position (NOP) within the limit set by Bangladesh Bank.
- ✓ Setting counterparty limit which includes forward, placement, SWAP limits for Foreign Exchange transactions.
- ✓ Setting limits for the foreign exchange dealers (intra-day open position limit, stop loss limit, per deal limit, trigger limit).
- ✓ Reconciling Nostro Accounts periodically as per the instruction of Bangladesh Bank.
- ✓ Calculating VaR (Value at Risk) that measure the highest possible loss of holding of foreign currency.

Basic Controls Exercised by Trust Bank Limited:

- Dealing and processing functions are clearly segregated. This includes reporting lines.
- Dealer's currency positions are balanced against back-office records on a daily basis.
- Checks exist to ensure dealing positions.
- Checks exist to ensure all deals are authorized.
- Confirmations are sent for all deals, compensating control in the form of daily reconciliation of Nostro accounts is strictly maintained, whereby non-receipt of funds prompts an enquiry. Confirmations for forward deals are matched to our records.
- All systems are password controlled.

Equity Risk

Equity risk is defined as losses due to changes in market price of equity held by the bank. To measure and identify the risk, mark to market valuations of the share investment portfolios are done. Mark to market valuation is done against a predetermined limit.

Trust Bank's Equity price Risk Management strategies:

- Investment Policy emphasizing on Portfolio diversification.
- Mark-to-Market valuations procedures.
- Where Margin loan is allowed, security of investment, liquidity of securities, reliability of earnings and risk factors are considered professionally.

(Amount in Crore)

Name of stock	Cost Price	Market Value	Profit/ Loss	Required Provision	Provision maintained	Provision Excess/ Shortfall
Exposures under solo basis						
Shares	5.97	5.08	(0.89)	0.89	0.89	0.00
Mutual Fund/Fund	40.45	29.66	(10.79)	0.62	0.62	0.00
Bond/Debentures	5.41	5.49	0.08	(0.08)	(0.08)	0.00
Loans to own subsidiary/subsidiaries	100.00	100.00	0.00	0.00	0.00	0.00
Loans to others for merchant banking and brokerage activities	4.72	4.72	0.00	0.00	0.00	0.00
Loan to stock dealer	0.00	0.00	0.00	0.00	0.00	0.00
Placement/others	0.00	0.00	0.00	0.00	0.00	0.00
Equity investment in subsidiaries	335.00	335.00	0.00	0.00	0.00	0.00
Total Capital Market Exposure	491.55	479.95	(11.60)	1.43	1.43	0.00



Operational Risk Management

Proper operational risk management prevents losses resulting from inadequate or failed internal processes, people and system or from external events. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses. The Board and senior management of Trust Bank Limited ensures that there is an effective, integrated operational risk management framework. This encompasses clearly defined organizational structures, with defined roles and responsibilities for all aspects of operational risk management/monitoring and there are appropriate tools that support the identification, assessment, control and reporting of key risks. Trust Bank Limited has taken following measures to mitigate Operational Risk:

- Establishing a strong operational risk management culture throughout the Bank.
- Integrate operational risk management activities into the Bank's overall risk management processes.
- Ensure the implementation of all policies, processes and systems effectively at all decision making levels
- Developing a clear, effective and robust governance structure with well defined, transparent and consistent lines of responsibility.
- To ensure a strong control environment that utilizes policies, processes and systems; appropriate internal controls; and standard risk mitigation and/or transfer strategies.

Keeping the above focus Trust Bank Limited has put a structured framework for the effective management of operational risks.

Liquidity Risk Management

Liquidity risk is the risk that, despite being solvent, we have insufficient capacity to fund increases in assets, or are unable to meet our payment obligations as they fall due, without incurring unacceptable losses. This includes repaying depositors or maturing wholesale debt. This risk is inherent in all banking operations and can be impacted by a range of institution specific and market-wide events.

Liquidity risk is further broken down into:

- i) Funding liquidity: This relates to the risk that the bank will be unable to meet current and/or future cash flow or collateral requirements in the normal course of business, without adversely affecting its financial position or its reputation.
- ii) Market liquidity: It's relates to the risk that the bank may be unable to trade in specific markets or that it may only be able to do so with difficulty due to market disruptions or a lack of market liquidity.

Sources of liquidity risk

- i) Unforeseen withdrawals of deposits.
- ii) Restricted access to new funding with appropriate maturity and interest rate characteristics.
- iii) Inability to liquidate a marketable asset in a timely manner with minimal risk of capital loss.
- iv) Unpredicted customer non-payment of loan obligations.
- v) A sudden increased demand for loans in the absence of corresponding funding inflows of appropriate maturity.

We measure liquidity risk by quantifying and calculating various liquidity risk metrics and ratios to assess potential risks to the liquidity position. Metrics and ratios include:

- i) Our regulatory requirements.
- ii) 'Business as usual' normal environment where we apply rollover and reinvestment assumptions under benign market conditions.
- iii) Stress conditions based on statistical historical analysis, documented experience and prudent judgment.
- iv) Basel standards for liquidity measurement:
 - Liquidity Coverage Ratio (LCR)
 - Net Stable Funding Ratio (NSFR)
- v) Other key funding and balance sheet ratios.
- vi) Monitoring and analyzing market trends and the external environment.



Liquidity Risk Indicators:

Particulars	March,15	June,15	Sep,15	Dec,15
Cash Reserve Requirement (CRR)	6.62%	6.65%	6.57%	6.59%
Statutory Liquidity Requirement (SLR)	15.78%	15.94%	18.28%	16.68%
Medium Term Funding Ratio (MTFR)	37.59%	42.13%	39.09%	40.35%
Maximum Cumulative Outflow (MCO)	19.92%	19.83%	19.88%	19.60%
Advance Deposit Ratio (ADR)	84.95%	83.38%	79.59%	85.90%
Liquidity Coverage Ratio (LCR)	155.72%	143.91%	114.52%	111.50%
Net Stable Funding Ratio (NSFR)	110.53%	107.42%	123.56%	124.64%

Category-wise growth of Deposit

(Amount in Crore)

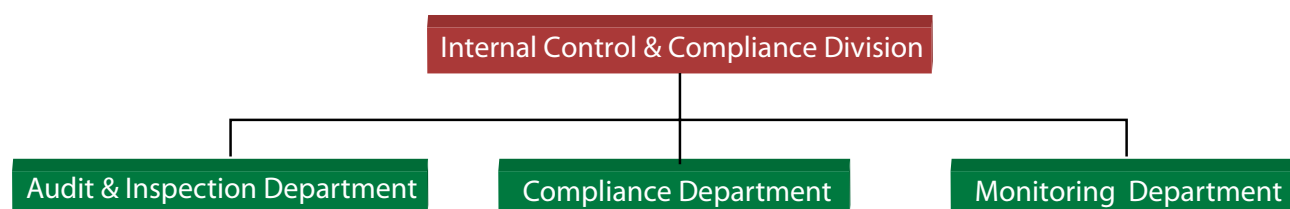
Category of Deposits	June, 2015	September, 2015	Increase/ Decrease	December, 2015	Increase/ Decrease	% of total deposit
Current Deposit	1053.30	1,161.37	(108.07)	885.49	(275.88)	5.92%
Short Term Deposit	1562.29	1,107.42	454.87	1,377.27	269.84	9.21%
Savings Deposit	1281.86	1,361.02	(79.16)	1,835.96	474.94	12.27%
Fixed Deposit	8338.68	9,153.68	(815.00)	9,310.00	156.32	62.24%
Scheme Deposit	1173.24	1,269.97	(96.73)	726.78	(543.19)	4.86%
Other deposit	927.38	777.27	150.11	822.77	45.50	5.50%
Total Deposit	14336.75	14,830.72	(493.97)	14,958.26	127.54	100.00%

Internal Control & Compliance Risk Management

Internal controls are put in place to keep the bank on course toward profitability goals and achievement of its mission and to minimize loopholes along the way. Internal controls promote efficiency, reduce risk of asset loss, and help ensure the reliability of financial statements and compliance with laws and regulations.

The primary objective of internal control system is to help the Bank perform in a sound and prudent manner with the available resources. The main objectives of the internal control process are categorized as under:

- **Performance Objective:** It relates to the effectiveness and efficiency of the Bank in using its assets and other resources and protecting the Bank from loss.
- **Information Objective:** It addresses the preparation of timely, reliable, relevant reports needed for decision - making and other financial related disclosures.
- **Compliance Objective:** It demonstrates that all banking activities are performed in compliance with applicable rules and regulations of the regulatory body and the bank's own policy, plan and procedures.





Internal Control & Compliance process of Trust Bank

- Departmental Control Function Check List (DCFCL), at the frequencies, i.e., daily, weekly, monthly, quarterly;
- Loan Documentation check List
- Quarterly Operation report (QOR) is needed to be prepared, maintained and reviewed.

Functions of Audit & Inspection Department

- The Audit team of Audit & Inspection department will perform periodic and spot/special audit.
- Each year the department will set out an audit plan for the year to be approved by the Managing Director.
- This will be risk based plan where sensitive areas will be provided with priority.
- The deficiencies identified during the audit should be notified to the branch and significant audit findings should be reported to the Managing Director.
- At the end of the year, the Audit & Inspection department will prepare a summary report on the audit findings and corrective actions taken there against, which should be forwarded to the Audit Committee of the Board of Directors and Managing Director & CEO of our Bank.

Functions of Compliance Department

- The Compliance Department is responsible to ensure that bank complies with all regulatory requirements, while performing its business.
- Compliance Department will incorporate regulatory requirements in the work process to ensure full compliance;
- They will contact regulatory authorities for proper clarification on a particular issue and notify the concerned departments accordingly.
- They will ensure taking timely corrective measures as soon as the inspection report is received and must ensure that serious lapses identified by the regulatory authority are brought to notice of the Audit Committee of the Board along with the Senior Management of the Branch.
- Compliance department will also arrange appropriate training for employees so that employees are aware of the regulations that are necessary to accomplish their job.

Functions of Monitoring Department

- Monitoring Department will identify the documentation lapses of different branches by reviewing LDCL (Loan documentation Check List).
- They will identify operational lapses/ anomalies of different branches by reviewing QOR (Quarterly Operation Report).
- They will prepare LDCL review report on quarterly basis & sent to the Managing Director.
- They will comply with all Self Assessment of Anti Fraud Internal Controls (SAAFIC) reports received from different branches and send the review report to Bangladesh Bank.
- Monitoring department also perform spot inspection/audit on Anti Fraud Internal Control of different branches and prepared audit report & send to the respective branches for compliance.
- To carry out inspection regularly on surprise basis to sample check on the items in DCFCL (Departmental Control Function Check List) in Branches.
- To play role in reporting of ISS to BB ISS Web Portal & preserve the same.
- To prepare the Health Report of the Bank on quarterly basis and send it to the Audit Committee.

In 2015 IC&C Division conducted following No. of Audit:

No. of Comprehensive Audit on branches	97 Branches
No. of Comprehensive Audit at Head Office	19 Divisions/ Departments
No. of Spot audits	a) 12 Spot Audit b) 34 IT Audit c) 1088 no. pay point audits
No. of Spot Inspection on Anti Fraud Internal Control	38 spot inspection report on Anti Fraud Internal Control



To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 23rd August, 2015 to review the compliance/implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

ICT Security Risk Management

As banks adopt technology as part of their ongoing strategic tool to face challenges in the emerging realities of business, they are increasingly exposed to technology risks. The risk has been increased in the cyber zone for the introduction of Internet Banking and increasing of E-commerce transaction across the world.

It is therefore imperative for each bank to work out appropriate IT risk management strategic to secure its most vital information assets and ensure that related risk management systems and processes are strengthened on continual basis to secure both present and future banking activities.

Trust Bank Limited, with the approval of the Board, has adopted an ICT policy in compliance with ICT security guidelines of Bangladesh Bank covering various aspect of ICT risk management. ICT Risk Management is emerging separate practice because of the unique role that IT plays in today's organizations.

Trust Bank Limited follows a robust, effective and efficient Information Technology with its Centralized Core Banking System, Mobile Banking application, In-House developed systems and other applications. Moreover, the R&D team and Software team is working to minimize each risk element without hampering daily operational activities. The implantation of each new patch is scrutinized through a precise testing and debugging method with own in-house team.

Trust Bank has taken necessary following stages to implement the process of ICT Security risk assessment:

- a) Adopt a lifecycle approach;
- b) Evaluate and analyze the risks;
- c) Identify informational assets and their values;
- d) Identify threats and vulnerabilities to information security;
- e) Plan the means and methods to minimize information risks;
- f) Establish multi-layered boundary defenses with help of R&D team to deploy a security wall between the untrusted external network and the trusted internal network;
- g) Plan for a proper disaster management related to IT services;
- h) Establish an IT governance framework inside the bank;
- i) Control measures implantation;
- j) IT risks monitoring and control;
- k) Build a risk- aware culture and develop skills of manpower ;
- l) Managing IT risk using the effective, efficient and right tools;

IT Risk Management helps to reduce service costs and achieve greater compliance by effectively assessing classifying IT risk. Moreover, IT Risk Management enables the management to initiate effective management decision to ensure smooth the business operations.

Reputational Risk Management

Reputational risk is damage to our reputation, name or brand. Reputational risk arises as a result of other risks manifesting and not being mitigated. We have different type of monitoring to mitigate reputational risk, including strong values that are regularly and proactively reinforced. We also subscribe to sound corporate governance practices, which require that activities, processes and decisions are based on carefully considered principles.

We are aware of the impact of practices that may result in a breakdown of trust and confidence in the organization. These practices are regularly reinforced through transparent communication, accurate reporting, continuous group culture and values assessment, internal audit and regulatory compliance review, and risk management practices.

Legal Risk Management

Legal risk is the risk of loss resulting from any of our rights not being fully enforceable or from our obligations not being properly performed. This includes our rights and obligations under contracts entered into with counterparties. Such risk is especially applicable where the counterparty defaults and the relevant documentation may not give rise to the rights and remedies anticipated when the transaction was entered. Our objective is to identify, manage, monitor and mitigate legal risks throughout the business. We seek to actively mitigate these risks by identifying them, setting minimum standards for their management and allocating clear responsibility for such management to legal risk managers, as well as ensuring compliance through proactive monitoring.



The legal risk management is implemented through:

- Identification and ongoing review of areas where legal risk is found to be present.
- Allocation of responsibility for the development of procedures for management and mitigation of these risks.
- Installation of appropriate segregation of duties, so that legal documentation is reviewed and executed with the appropriate level of independence from the persons involved in proposing or promoting the transaction
- Establishing procedures to monitor compliance, taking into account the required minimum standards.
- Establishing legal risk monitoring committee (bringing together the various legal risk managers) to ensure we keep abreast of developments and changes in the nature and extent of our activities, and to benchmark our processes against best practice.

Money Laundering Risk Management

This risk arises from non compliance of relevant laws and regulations related to Money Laundering by the reporting agencies as the loss of reputation and expenses incurred as penalty. Every branch has a nominated AML compliance officer who will review and evaluate the daily transactions of his branch and report to Deputy CAMLCO or CAMLCO if any abnormal / suspicious activities is detected for further analysis and reporting to Bangladesh Bank. Trust Bank has a Chief Anti Money Laundering Compliance Officer (CAMLCO) who is also the Deputy Managing Director at Head Office. The Bank has a Central Compliance Unit (CCU), Head Office for ensuring the compliance related to AML/CFT of all branches. CCU collects the mandatory statements related to AML/CFT from branches and submit to Bangladesh Bank after confirming the statements are in order and as per the prescribed format.

Bank has prepared its money-laundering manual for applications. Training has been continuously given to all officers and executives for developing awareness and skill for identifying suspicious transactions/activities.

Training on Anti Money Laundering issues in 2015:

Details of the Training	Frequency	Number of Participants
Foundation Training Course	7	249
Advance Training Course	9	560
General Banking	2	61
Branch Management	1	29
Outreach Program	6	576
Total	25	1475

Environmental and Social Risk Management

Environmental and Social risks arise as a result of non-compliance to national environmental and social regulations or an unexpected change in environment and social conditions. All banks and financial institutions are exposed to some level of environmental and social risks in their investment portfolio.

Environmental and Social Risk Management is the process of identification, analysis, assessment, control, and avoidance, minimization, or elimination of unacceptable environmental risks. An organization may use risk assumption, risk avoidance, risk retention, risk transfer, or any other strategy (or combination of strategies) in proper management of future events having impact on the environment.

Trust Bank Limited so far accomplished initiatives to implement Environmental Risk Management:

- Policy Formulation & Governance,
- Incorporation of Environmental Risk in CRM,
- Initiating In-house Environment Management,
- Online Banking Supporting Employee Training, Consumer Awareness and Green Event.
- Disclosure and Reporting of Green Banking



As instructed by the Bangladesh Bank, Trust Bank Ltd. has incorporated Environmental Risk Management guidelines into Credit Risk Management Policy. TBL use Environmental Risk Rating (EnvRR) for both financing for new, green field projects as well as those pertaining to existing facilities.

- If the EnvRR is high, then the proposal for financing will have to be approved by the Board or its Executive Committee.
- If the EnvRR is low or moderate, then the financing decision can be undertaken on the basis of the usual credit risk management guidelines.
- If the EnvRR is unclear, then it is required for the Bank to collect more information from the borrower so as to gain an understanding of the inherent risks and arrive at a high/ moderate/low decision. If a risk factor is not applicable, it may be excluded from the total number of questions used in calculating.

Our Green banking activities

- ❖ Trust Bank Ltd. has developed innovative green banking products named 'Trust Sufala' and 'Trust Prantik' which can reduction of carbon emissions and increase financial inclusion.
- ❖ Our total disbursed amount in biogas sector was Tk. 58.40 Crore as of December, 2015 against 2,711 no. Bio gas plants in different locations of the country, under 4 cow model of Bangladesh Bank.
- ❖ Trust Bank financed for installation of 2,748 solar-home systems in the district of Jenaidah, Jessore and Satkhira through various MFI. A village name "**Hawlipara**" In the district of Jehadiah, is yet to be declared as "**Trust Bank Solar Village**".
- ❖ We financed BDT.10.00 Crore to set up a 1,087 no. of cluster-base Bio Gas plants at Dhamrai with help of MFI (SOJAG) and BDT 0.15 Crore for financing Small/marginal entrepreneurs of Taka 10/- account holders.
- ❖ TBL opened 2(two) solar-base branch in the district of Lalmonirhat and Kishoregonj respectively.

Green Financing Status as on December, 2015:

Product	Disbursed Amount
Eluent Treatment Plant (ETP)	Tk. 5588.80 Crore
Bio-Gas	Tk. 58.40 Crore against 2,711 numbers
Solar Energy (SHS & Irrigation)	Tk. 7.68 Crore against 2,748 numbers
Improved Brick Klin	Tk. 26.31 Crore against 26 numbers
Green Industries	Tk. 127.40 Crore against 01 industry
Safety & Securities Factories	Tk. 2.57 Crore against 03 numbers
10 Tk A/C holder (Marginal people)	Tk. 1.51 Crore against 329 account holders

Disclosures on Risk Based Capital (Basel III)





Banks encounter various types of risks while carrying the business of financial intermediation as it is the highly leveraged sector of an economy. Risk and uncertainties, therefore, form an integral part and parcel of banking. Thus, risk management is the core to any banking service and hence the need for sufficient Capital to Risk-weighted Asset Ratio (CRAR) is felt. Regulation of capital assumes significant importance so as to reduce bank failures, to promote stability, safety and soundness of the banking system, to prevent systemic disaster and to ultimately reduce losses to the bank depositors.

An Action Plan/Roadmap was issued by Bangladesh Bank for implementation of Basel-III in Bangladesh vide BRPD Circular No:18 Dated: 21st December, 2014. For effective implementation of Basel-III, the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III) has been issued by Bangladesh Bank.

Action Plan/Roadmap

Action	Deadline
Issuance of Guidelines on Risk Based Capital Adequacy	December, 2014
Commencement of Basel III Implementation process	January, 2015
Capacity Building of bank and Bangladesh Bank officials	January, 2015- December, 2019
Initiation of Full Implementation of Basel III	January, 2020

Phase-in Arrangements

The phase-in arrangements for Basel III implementation will be as follows:

	2015	2016	2017	2018	2019
Minimum Common Equity Tier-1 (CET-1) Capital Ratio	4.50%	4.50%	4.50%	4.50%	4.50%
Capital Conservation Buffer	--	0.625%	1.25%	1.875%	2.50%
Minimum CET-1 plus Capital Conservation Buffer	4.50%	5.125%	5.75%	6.375%	7.00%
Minimum T-1 Capital Ratio	5.50%	5.50%	6.00%	6.00%	6.00%
Minimum Total Capital Ratio	10.00%	10.00%	10.00%	10.00%	10.00%
Minimum Total Capital plus Capital Conservation Buffer	10.00	10.625%	11.25%	11.875%	12.50%

The Basel III framework consists of three-mutually reinforcing pillars:

Pillar 1 - Minimum capital requirements for credit risk, market risk and operational risk

Pillar 2 - Supervisory review process

Pillar 3 - Market discipline

Market discipline (Pillar 3) comprises a set of disclosures on the Capital Adequacy and Risk Management framework of the Bank. Pillar 3 disclosures as per BB circular on Basel-III Capital Regulations are set out in the following sections for information.

a) Scope of application

Qualitative Disclosures	
a) The name of the top corporate entity in the group to which this guidelines applies	Trust Bank Limited (TBL)



b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).

Trust Bank Limited has 2 (Two) subsidiaries viz. (i) Trust Bank Investment Limited, (ii) Trust Bank Securities Limited.

A brief description of the Bank and its subsidiary are given below:

Trust Bank Limited

The bank was established as a Public Limited Company (Banking Company) as on the 17th June 1999 under the Companies Act 1994 for carrying out all kinds of banking activities and commenced its operation on the 17th June, 1999 with the permission of Bangladesh Bank. It was listed with Dhaka Stock Exchange Limited as on 24th September, 2007 and Chittagong Stock Exchange Limited as on 25th September, 2007 respectively. Presently the Bank is operating its business through head office having 101 branches, 1 Service Center, 05 SME/Krishi branches, 9 T-Lobby, 6 CDMs (Cash Deposit Machine) and 171 ATM booths all over Bangladesh.

Off-shore Banking Unit (OBU):

Off-shore Banking Unit is a separate business unit governed by the applicable rules & regulations and guidelines of Bangladesh Bank vide letter no. BRPD(P-3)744(116)/2010-2462 dated: 2nd June, 2010. The number of OBU was 1 (One) as on reporting date 31 December 2015 located at Dilkusha Corporate Branch Dhaka.

Investments in OBUs are risk weighted with the exposure of the Bank.

There are 2 (Two) Subsidiaries of Trust Bank which are as under:

1. Trust Bank Investment Ltd:

Trust Bank Investment Limited was incorporated as on 9th September, 2010 as a Public Limited Company bearing registration No. C-86981/10 under the Companies Act, 1994 in Bangladesh. The company accorded consent from the Securities and Exchange Commission on 25th October, 2010 as a full fledged Merchant Bank bearing Certificate No. MB-45/10. The Company started its operation on 14th November, 2010. The registered office of the Company is located at 36, Dilkusha Commercial Area, Dhaka - 1000.

The main objectives of the company are to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting, corporate advisory services etc.

2. Trust Bank Securities Limited:

Trust Bank Securities Limited was incorporated as on 7th February, 2013 as a Private Limited Company bearing registration No: C-107267/13 under the companies Act, 1994. The registered office of the company is located at 28, North Kafrul, Dhaka-1206.

The main objective of the company is carry on business of stock broker/dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company.

c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group

Not applicable

Quantitative Disclosures

d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.

Not applicable



b) Capital Structure

Qualitative Disclosures	
a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.	For the purpose of calculating capital under capital adequacy framework, the capital of banks shall be classified into two tiers. The total regulatory capital will consist of sum of the following categories:
	1) Tier 1 Capital (going-concern capital): a) Common Equity Tier 1 b) Additional Tier 1
	2) Tier 2 Capital (gone-concern capital)
	Common Equity Tier 1 Capital: It is called 'Core Capital' comprises of highest quality of capital elements consists of -
	i) Fully Paid-up Capital ii) Statutory Reserve iii) Non-Repayable Share Premium Account iv) General Reserve v) Retained Earnings vi) Minority Interest in Subsidiaries vii) Dividend Equalization Account
	Less: Regulatory adjustments applicable on CET1
	Additional Tier 1: i) Non-cumulative irredeemable preference share ii) Instruments issued by the banks that meet the qualifying criteria for AT1 iii) Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties as specified in Annex-4 of Basel III Guidelines (For Consolidated Reporting) Less: Regulatory adjustments applicable on AT1
	Tier-2 Capital : It is called 'gone-concern capital' represents other elements which fall short of some of the characteristics of the core capital consists of- i) General Provision ii) All other preference shares iii) Subordinated debt iv) Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties (For Consolidated reporting only) v) Revaluation Reserves as on 31st December, 2014 (50% of Fixed Assets and Securities and 10% of equities) vi) Other (if any item approved by Bangladesh Bank) Less: Regulatory adjustments applicable on Tier-2 capital
	Compliance status of TBL as per condition for maintaining regulatory capital:
	1. Common Equity Tier 1 of at least 4.5% of the total RWA. Complied
	2. Tier-1 capital will be at least 6.0% of the total RWA. Complied
	3. Minimum CRAR of 10% of the total RWA. Complied
	4. Additional Tier 1 capital can be admitted maximum up to 1.5% of the total RWA or 33.33% of CET1, whichever is higher. Complied
	5. Tier 2 Capital can be admitted maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher. Complied
	6. In addition to minimum CRAR, Capital Conservation Buffer (CCB) of 2.5% of the total RWA is being introduced which will be maintained in the form of CET1. Applicable from 2016



Quantitative Disclosures		
b) The amount of regulatory capital of Trust Bank Limited under Basel III during 2015 as below		
1. Common Equity Tier-1 (Going Concern Capital)	Solo	Consolidated
	Amount in Million	Amount in Million
Fully Paid-up Capital/Capital Deposited with BB	4,688.27	4,688.27
Statutory Reserve	3,333.69	3,333.69
Retained Earnings	1,432.22	1,766.71
Minority interest in Subsidiaries	0.00	0.00
Less: Deferred Tax Assets (DTA)	(86.74)	(88.66)
Total Common Equity Tier-1 Capital	9,367.44	9,700.01
2. Tier-2 Capital (Gone-Concern Capital)		
General Provision	1,422.29	1,422.09
Subordinated debt	2,800.00	2,800.00
Revaluation Reserves for Securities up to 50%	0.27	0.27
Less: Revaluation Reserves for Fixed Assets, Securities & Equity Securities (follow Phase-in deductions as per Basel III) Guideline	(0.05)	(0.05)
Total Admissible Tier-2 Capital	4,222.50	4,222.31
Total Eligible Capital	13,589.94	13,922.32

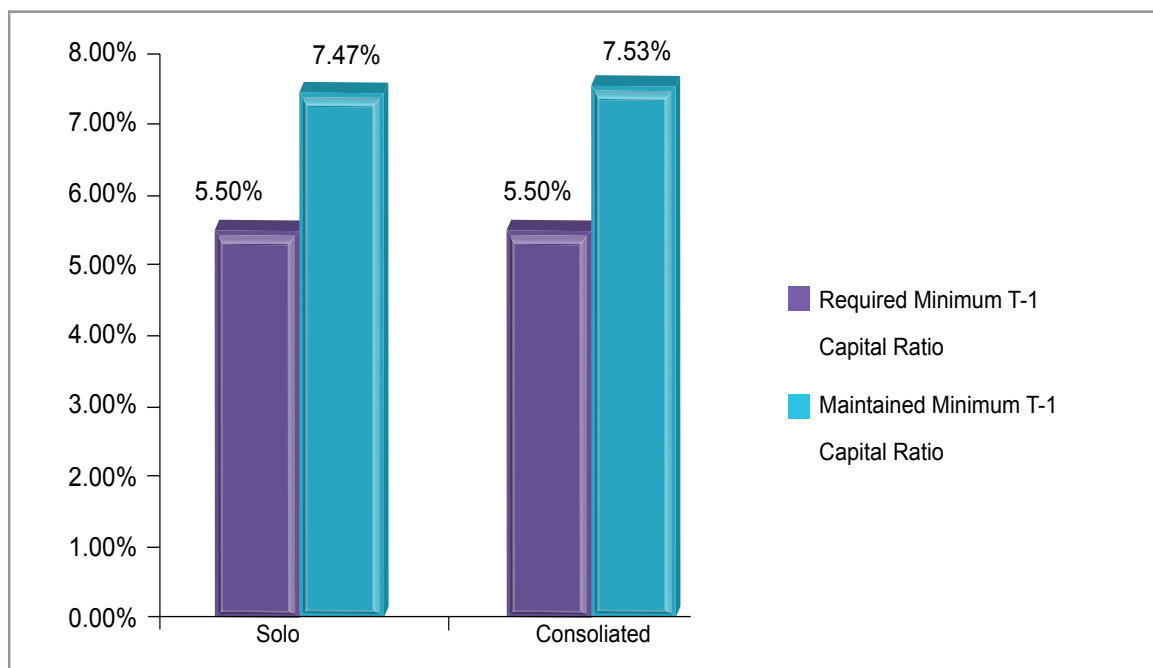
c) Capital Adequacy

Qualitative Disclosures		
a) A summary discussion of the bank’s approach to assessing the adequacy of its capital to support current and future activities.	<p>The Bank is subject to the Capital adequacy norms as per Master Circular on Basel-III Capital regulations issued by the Bangladesh Bank. The Basel III capital regulation is being implemented from 2015.</p> <p>In line with the guidelines of the Bangladesh Bank, the Bank has adopted the following approaches for computing the capital charge.</p> <p>For Credit Risk – Standardized Approach For Market Risk – Standardized Approach Operational Risk – Basic Indicator Approach</p> <p><input type="checkbox"/> The Bank has a Board approved policy on Internal Capital Adequacy Assessment Process (ICAAP) as stipulated by Bangladesh Bank. The ICAAP also details the Risk Appetite of the Bank, assessment of material risks, the process for capital adequacy assessment to support business projections, adequacy of risk control framework, capital raising plans and Bank-wide stress testing.</p> <p><input type="checkbox"/> The periodic assessment of bank’s performance against the Risk Appetite defined under ICAAP and results of stress testing are reported to the Board of Directors for their review.</p> <p><input type="checkbox"/> CRAR has been computed based on the Basel III guidelines and it is well above the regulatory minimum level of 10%.</p>	
Quantitative Disclosures		
Capital requirement under following Risk:	Amount in Million	
	Solo	Consolidated
b) Capital requirement for Credit Risk	11,378.28	11,376.70
c) Capital requirement for Market Risk	277.32	515.78
d) Capital requirement for Operational Risk	886.45	984.54
▪ Total Capital Requirement (b+c+d)	12,542.05	12,877.03

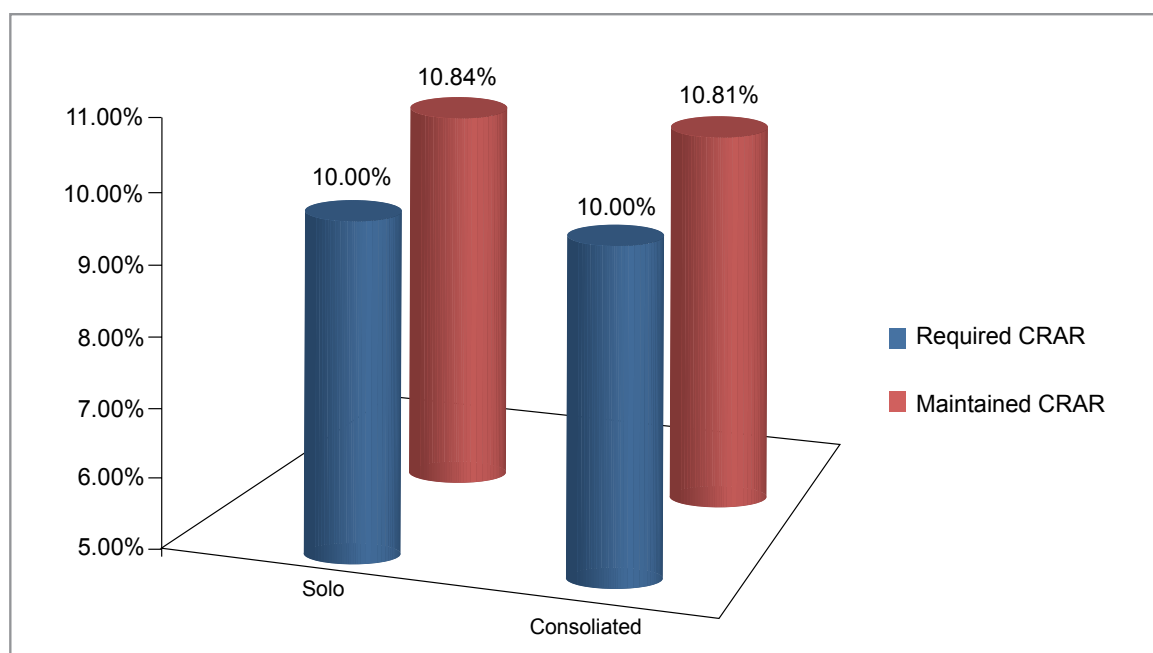


e) Capital to Risk-weighted Asset Ratio (CRAR)		
1. Common Equity Tier 1 (CET 1) Ratio	7.47%	7.53%
2. Tier 1 Capital Adequacy Ratio	7.47%	7.53%
3. Tier-2 Capital Adequacy Ratio	3.37%	3.28%
Capital to Risk-weighted Asset Ratio (CRAR)	10.84%	10.81%
f) Capital Conservation Buffer	Applicable from 2016	Applicable from 2016
g) Available Capital under Pillar 2 Requirement	1047.94 (million)	1045.31 (million)
Minimum Capital Requirement (MCR)	12,542.00 (million)	12,877.00 (million)

Minimum T-1 Capital Ratio



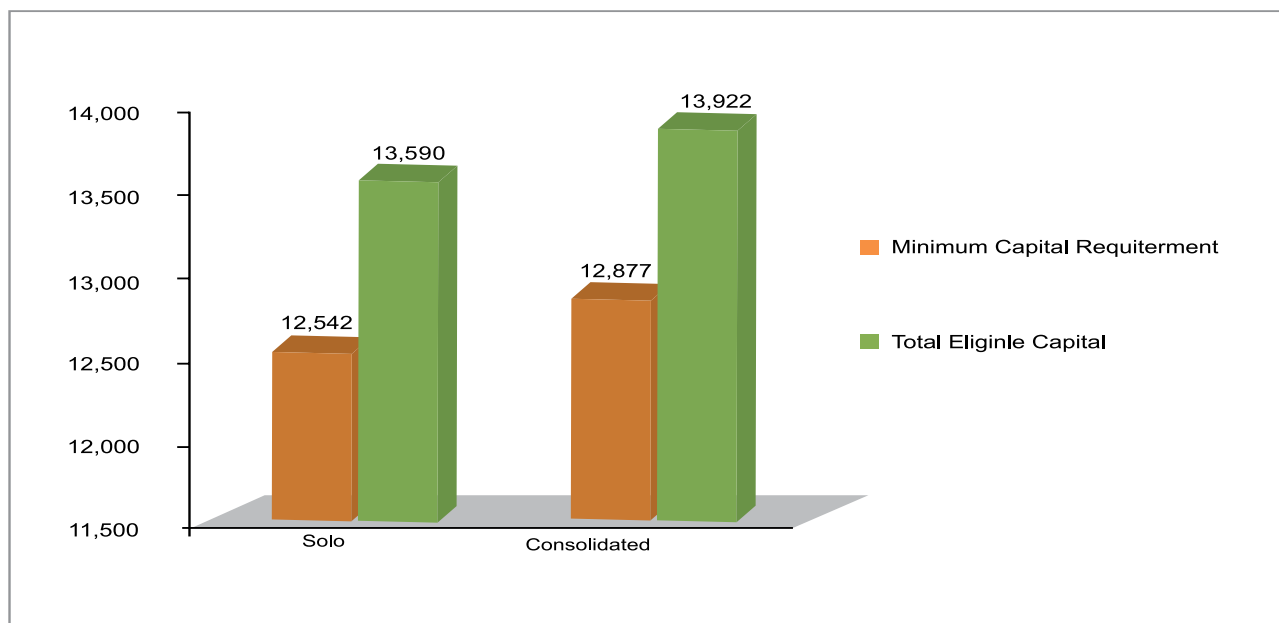
Capital to Risk-weighted Asset Ratio (CRAR)





Eligible Capital:

(Amount in Million)



d) Credit Risk:

Qualitative Disclosures	a) The general qualitative disclosure requirement with respect to credit risk:		
i) Definitions of past due and impaired	Categories	Definition of past due	When started
	Continuous Loan	If not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue.	From the following day of the expiry date.
	Demand Loan	If not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue	As above
	Fixed Term Loan	In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue.	As above
	Short-term Agricultural and Micro-Credit	If not repaid within the fixed expiry date for repayment will be considered past due/overdue.	After 6 months of the expiry date.
	IMPAIRED LOAN: All classified loan are treated as impaired loans, impaired can be defined as above:		
	Type of loan	Sub standard	Doubtful
	Continuous Loan	3≤O<6	6≤O<9
	Demand Loan	3≤O<6	6≤O<9
	Fixed Term Loan (Upto 10.00 Lac)	6≤O<9	9≤O<12
	Fixed Term Loan (More than 10.00 Lac)	3≤O<6	6≤O<9
	SAC/MC	12<O≤36	36<O≤60
	■Note : O = Overdue, SAC= Short term Agricultural Credit, MC= Micro Credit		



ii) Description of approaches followed for specific and general allowances and statistical methods	General Provision: Bank maintains general provision in the following way- For Unclassified Loan:			
	Type of Loan		Rate of Provision	
	Small & Medium Enterprise Financing (SMEF)		0.25%	
	Consumer Financing (Other than HF & LP)		5%	
	Consumer Financing (House Financing, HF)		2%	
	Consumer Financing (Loans for Professional to setup business, LP)		2%	
	Loans to BHS/ MBs/ Sds against Shares etc.		2%	
	All Other Credit		1%	
	Short Term Agri Credit & Micro Credit		2.5%	
	Special Mention Account:			
	Type of Loan		Rate of Provision	
	Small & Medium Enterprise Financing (SMEF)		0.25%	
	Consumer Financing (Other than HF & LP)		5%	
	Consumer Financing (House Financing, HF)		2%	
	Consumer Financing (Loans for Professional to setup business, LP)		2%	
	Loans to BHS/ MBs/ Sds against Shares etc.		2%	
	All Other Credit		1%	
	Short Term Agri Credit & Micro Credit		2.5%	
	Specific Provision: Bank maintain specific provision in respect of Continuous, Demand and Fixed Term Loans-			
	Loan Status		Type of Loan	Rate of Provision
	Substandard		Short Term Agri Credit & Micro Credit	5%
			Other than Short Term Agri Credit & Micro Credit	20%
	Doubtful		Short Term Agri Credit & Micro Credit	5%
			Other than Short Term Agri Credit & Micro Credit	50%
	Bad/Loss		100%	
	Eligible Collateral: As per Bangladesh Bank the following collateral will be included as eligible collateral in determining base for provision: <ul style="list-style-type: none">• 100% of deposit under lien against the loan.• 100% of the value of government bond/savings certificate under lien.• 100% of the value of guarantee given by Government or Bangladesh Bank.• 100% of the market value of gold or gold ornaments pledged with the bank.• 50% of the market value of easily marketable commodities kept under control of the bank.• Maximum 50% of the market value of land and building mortgaged with the bank.• 50% of the average market value for last 06 months or 50% of the face value, whichever is less, of the shares traded in stock exchange.			
iii) Discussion of the Bank's Credit risk management policy.		The credit risk management policy of the bank aims at a sustained growth of healthy loan portfolio. It articulates while evolving a well- defined system to identify measure, monitor and control various risks attached to credit portfolio of the Bank. This entails reducing exposures in high risk areas, concentrating more on the promising industries / sectors / segments, striking balance between risk and return on assets and ensuring optimization of stake holder's value. The policy also seeks to achieve prudent credit growth –both qualitative and quantitative- while adhering to the prudential norms with balanced sectoral deployment of credit to control credit concentration across Industries, sectors, segments and at the same time increasing the market share. The policy also aims at consistency and standardization of credit practices. There is a defined credit appraisal & credit approval authority, reporting cum monitoring / follow-up system and loan review mechanism/ credit audit system in place at the Bank as spelt out in board approved Credit Risk Management Policy.		



Quantitative Disclosures:

b) Total gross credit risk exposures broken down by major types of credit exposure:

(Amount in Million)

Major Types	Continuous Loan	Demand Loan	Fixed Term Loan	Short Term Agri. Credit & Micro Credit	Total
Small & Medium Enterprise Financing	4074.74	1814.05	1443.76	-	7332.55
Consumer Financing	1411.26	139.43	3819.99		5370.69
Loans to BHs/MBs/Sds against Share	171.41				171.41
Housing Finance			10605.94		10605.94
Loan for Professionals to setup business (LP)			5.99		5.99
Others	14224.44	31107.66	58733.08	11.17	104076.35
Staff Loan					875.24
Total exposure in Trust Bank Limited (TBL)					128438.16
Total exposure in Trust Bank Investment Limited (TBIL)					3163.75
Total exposure in Offshore Banking					2176.49

c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure of TBL:

(Amount in Million)

Geographical Distribution	Amount	Grand Exposure
Urban		
Dhaka	93244.61	118541.16
Chittagong	20431.30	
Sylhet	1620.59	
Rajshahi	234.01	
Barishal	160.71	
Khulna	2417.38	
Rangpur	84.61	
Mymensingh	347.95	
Rural		
Dhaka	3267.02	9897.00
Chittagong	1858.28	
Sylhet	677.03	
Rajshahi	1342.31	
Barishal	-	
Khulna	1063.91	
Rangpur	1688.45	
Mymensingh	-	
Total		128438.16



d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure of TBL:

(Amount in Million)

Industry Type	Amount
Agriculture	1362.33
RMG	11467.03
Textile	6895.71
Ship Building	0.00
Ship Breaking	1057.49
Other Manufacturing Industry	26348.56
SME loan	5448.68
Construction	7118.30
Power, Gas	7180.04
Transport, Storage and Communication	3421.11
Trade Service	12723.90
Commercial real estate financing	7874.81
Residential real estate financing	9003.49
Consumer Credit	10865.56
Capital Market	171.41
Non-bank financial Institutions	0.00
Others	17499.74
Total Exposure	128438.16

e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure of TBL:

(Amount in Million)

Time band	Continuous Loan	Demand Loan	Term Loan	Agricultural Credit	Total
Up to 1 month	2828.85	8799.53	1027.53	6.41	12662.32
1 to 3 months	4081.17	10066.22	310.88	1.50	14459.77
3 to 6 months	5019.18	11849.20	858.21	2.23	17728.82
6 to 12 months	7952.64	2346.18	4305.77	0.54	14605.13
1 to 2 years			2783.63	0.49	2784.12
2 to 3 years			5393.13		5393.13
3 to 4 years			13553.18		13553.18
4 to 5 years			16692.97		16692.97
5 to 7 years			11580.78		11580.78
7 to 10 years			6362.83		6362.83
Over 10 years			12615.11		12615.11
Total	19881.84	33061.13	75484.02	11.17	128438.16



f) By major industry or counterparty type of TBL:

• Amount Of Impaired Loans And If Available, Past Due Loans, Provided Separately:

(Amount in Million)

Industry	Impaired	Past due
Small & Medium Enterprise Financing	1138.37	1553.11
Consumer Financing	116.99	244.43
Housing Finance	395.70	849.71
Loans for Professionals to setup business	-	
Loans to BHs/MBs/SDs against Shares etc.	-	
Other Corporate Credit	1936.34	8827.15
Short Term Agri Credit & Micro Credit	1.07	1.28
Staff Loan	-	
Total	3588.48	11475.67

• Specific and General Provision (Required)

(Amount in Million)

Sector	General Provision	Specific Provision
Small & Medium Enterprise Financing	15.50	454.71
Consumer Financing	262.70	80.21
Housing Finance	204.22	87.95
Loans for Professionals to setup business	0.13	0.00
Loans to BHs/MBs/SDs against Shares etc.	3.44	0.00
Other Corporate Credit	1138.30	808.20
Short Term Agri Credit & Micro Credit	0.26	0.07
Against Off-Balance Sheet	577.91	
TBL Total	2202.45	1431.14
Off-shore Banking Unit	24.12	-
Grand Total	2226.57	1431.14

• Charges for Specific Allowances And Charge-Offs During The Period.

Against Classified Loans & Advances	Taka in Million
Provision held on 1 January	1037.64
Fully provided debts written off	-
Recoveries from previously written off debts	-
Provisions made during the year	417.51
Net Charge to the Profit & Loss Account	417.51
Provision held at end of year	1455.15

Against Unclassified Loans & Advances	Taka in Million
Provision held on 1 January	1203.52
Provisions made during the year	306.63
Provision held at end of year	1510.15

Against Special Mention Accounts	
Provision held on 1 January	43.77
Provisions made during the year	46.61
Provision held at end of year	90.37



General Provision for Off Balance Sheet Exposures	Taka in Million
Provision held on 1 January	476.00
Provisions made during the year	101.91
Provision held at end of year	577.91

Provision for Off-shore Banking Units	Taka in Million
Provision held on 1 January	31.28
Provisions made during the year	(7.16)
Provision held at end of year	24.12

g) Gross Non Performing Assets (NPAs) of TBL:

(Amount in Million)

Gross Non Performing Assets (NPAs)	3588.48
Non Performing Assets (NPAs) to outstanding loans & advances	
Movement of Non Performing Assets for NPAs	
Opening balance	2614.76
Additions	1850.90
Reductions	(877.18)
Closing Balance	3588.48
Movements of specific provisions for NPAs	
Opening balance	1037.64
Provision made during the period	417.51
Write-off	-
Write back of excess provisions	-
Closing Balance	1455.15

e) Equities: Disclosures for Banking Book Position

a) Qualitative Disclosures:	<ul style="list-style-type: none"> The general qualitative disclosure requirement with respect to equity risk, including:
Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and	<p>Investment of TBL in equity securities is broadly categorized into two parts:</p> <ul style="list-style-type: none"> Quoted Securities: Securities (Ordinary shares, Mutual Fund) that are traded in the secondary market (trading book assets). These securities include Common share, Preference shares and Mutual funds. Unquoted Securities: Unquoted securities are categorized as banking book equity exposures which are further subdivided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future (i.e. held to maturity HTM) and securities that are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Usually these securities are held for trading (HFT) or investment for making capital gains.



Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.

Investment in Shares and Securities are for gaining dividend income or capital gain. Dividend income are recognized in the books of accounts of the bank as and when such dividend is received or right to receive or establish.

Both Quoted shares and unquoted shares are valued at cost and necessary provisions are maintained if the price falls below the cost. At the time of calculation of unrealized gain or loss of quoted shares, provisions on shares & securities are made in the books of accounts after netting off the values of the portfolios but however unrealized gains are not accounted for. As per Bangladesh bank guidelines, HFT (Held for Trading) securities are revalued once in a week using marking to market concept and all such securities are revalued once in a year according to the Bangladesh bank guidelines.

b) Quantitative Disclosures:					
a) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.		Value of Investments in Balance Sheet		Amount in Million	
		Shares in Listed Companies (Valuation at average cost price)		2083.72	
		Fair Market Value of shares in Listed Securities		1564.64	
b) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.		Nil			
c)	* Total unrealized gains (losses)	Tk. (519.08) million			
	* Total latent revaluation gains (losses)	Nil			
	* Any amounts of the above included in Tier – 2 capital.	Nil			
d) Capital requirements broken down by appropriate equity groupings, consistent with the bank’s methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.		The capital requirements for equity investments as of 31 December 2015 was as under:			
		Particulars	Amount (MV)	Weight	Capital Charge
		Specific Risk	1564.64	10%	156.46
		General Market Risk	1564.64	10%	156.46
		Total			312.93



f) Interest rate risk in the banking book (IRRBB)

Qualitative Disclosures:	
<p>(a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.</p>	<p>Interest rate risk is the risk of potential variability in earnings and capital value resulting from changes in market interest rates. IRRBB refers to the risk of deterioration in the positions held on the banking book of an institution due to movement in interest rates over time. The Bank holds assets, liabilities and off balance sheet items across various markets with different maturity or re-pricing dates and linked to different benchmark rates, thus creating exposure to unexpected changes in the level of interest rates in such markets.</p> <p>Organizational set-up:</p> <p>ALCO is responsible for management of the balance sheet of the Bank with a view to manage the market risk exposure assumed by the Bank within the risk parameters laid down by the Board of Directors/Risk Committee. The Asset Liability Management Committee at the Bank monitors and manages the risk under the supervision of ALCO.</p> <p>Upon review of the indicators of IRRBB and the impact thereof, ALCO may suggest necessary corrective actions in order to rearrange the exposure with the current assessment of the markets.</p> <p>Risk measurement and reporting framework:</p> <p>The Bank proactively manages impact of IRRBB as a part of its ALM activities. ALM policy defines the different types of interest rates risks that are to be monitored, measured and controlled. ALCO decides strategies for managing IRRBB at the desired level. Further, ALM Committee periodically gives direction for management of interest rate risk on the basis of its expectations of future interest rates. Based on the guidance, ALCO manages the IRRBB with the help of various tools i.e. gap analysis, earning at risk (EaR), duration of equity (DoE) and stress testing for basis risk.</p> <p>IRRBB Identification, Measurement, Monitoring and Reporting:</p> <p>IRRBB architecture is the framework to measure, monitor and control the adverse impact of interest rates on the Bank's financial condition within tolerable limits. This impact is calculated from following perspectives:</p> <ul style="list-style-type: none"> a) Earnings perspective: Indicates the impact on Bank's Net Interest Income (NII) in the short term. b) Economic perspective: Indicates the impact on the net-worth of bank due to re-pricing of assets, liabilities and off-balance sheet items. <p>The ALM & Market Risk Policies define the framework for managing IRRBB through measures such as:</p> <ul style="list-style-type: none"> I. Interest Rate Sensitivity Report: Measures mismatches between rate sensitive liabilities and rate sensitive assets in various tenor buckets based on re-pricing or maturity, as applicable. II. Duration Gap Analysis: Measures the mismatch in duration of assets & liabilities and the resultant impact on market value of equity. III. Stress Testing: Evaluates the impact on duration of capital of banking book under various stress scenarios.

Quantitative Disclosures:

- (b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method of measuring IRRBB, broken down by currency.



(Amount in Million)

Interest Rate Risk in the banking book	Residual maturity bucket			
	3 months	6 months	1 year	Above 1 year
Interest Sensitive Assets (A)	31,443.54	15,850.09	31,713.99	77,057.20
Interest Sensitive Liabilities (B)	61,186.89	17,858.33	35,776.26	28,435.50
GAP (A-B)	(29,743.34)	(2,008.24)	(4,062.27)	48,621.71
Cumulative GAP	(29,743.34)	(31,751.58)	(35,813.85)	12,807.85

CRAR after Shock:

(Amount in Crore)

Magnitude of Shock	Situation-1 1%	Situation-2 2%	Situation-3 3%
Regulatory Capital (After shock)	1147.41	935.54	723.67
RWA (After shock)	12480.90	12480.90	12480.90
CRAR (After shock)	9.19%	7.50%	5.80%
Total Assets	17910.22	17910.22	17910.22
Total Liabilities and Equity	17910.22	17910.22	17910.22
Duration Gap in years	1.29	1.29	1.29
Changes in Market value of Equity due to an increase in interest Rate, Δ MVE	211.87	423.73	635.60

g) Market Risk:

a) Qualitative Disclosures:	
Views of BOD on trading/ investment activities	The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding to finance asset growth and trade related transactions.
Methods used to measure Market risk	<p>Standardized approach has been used to measure the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. The methodology to calculate capital requirement under Standardized Approach for each of these market risk categories is as follows:</p> <ul style="list-style-type: none"> a) Capital charges for interest rate risk= Capital Charge for General Market Risk b) Capital charges for Equity Position Risk= Capital Charge for Specific Risk+ Capital Charge for General Market Risk c) Capital charges for Foreign Exchange Risk= Capital Charge for General Market Risk d) Capital charges for Commodity Position Risk= Capital Charge for General Market Risk
Market Risk Management System	The Treasury Division manage market risk covering liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.



Policies and processes for mitigating market risk:	<p>There are approved limits for Market risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, foreign exchange position and transactions to mitigate foreign exchange risks.</p> <p>Policies and processes for mitigating market risk are mentioned below-</p> <ul style="list-style-type: none"> ➤ Risk Management and reporting is based on parameters such as Maturity Gap Analysis, Duration Gap Analysis, VaR etc, in line with the global best practices. ➤ Risk Profiles are analyzed and mitigating strategies/ processes are suggested by the Asset Liability Committee (ALCO). ➤ Foreign Exchange Net Open Position (NOP) limits (Day limit / Overnight limit), deal-wise trigger limits, Stop-loss limit, Profit / Loss in respect of cross currency trading are properly monitored and exception reporting is regularly carried out. ➤ Holding of equities is monitored regularly so that the investment remains within the limit as set by Bangladesh Bank. ➤ Asset Liability Management Committee (ALCO) analyzes market and determines strategies to attain business goals. ➤ Reconciliation of foreign currency transactions.
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b) Quantitative Disclosures:

The Capital requirements for specified risk are as follows:

(Amount in Million)

SL	Market Risk	Capital Requirement
A	Interest Rate Related instruments	27.83
B	Equities	312.93
C	Foreign Exchange Position	175.03
D	Commodities	
	Total	515.78

h) Operational Risk:

a) Qualitative Disclosures:	
i) Views of BOD on system to reduce Operational Risk	<p>Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The way operational risk is managed has the potential to positively or negatively impact a bank's customers, its financial performance and reputation.</p> <p>The Bank has put in place Board approved governance and organizational structure with clearly defined roles and responsibilities to mitigate operational risk arising out of the Bank's business and operations.</p>



	The bank believes that training and knowledge sharing is the best way to reduce knowledge gap. Therefore, it arranges trainings on a regular basis for its employees to develop their expertise. The bank offers competitive pay package to its employees based on performance and merit. It always tries to develop a culture where all employees can apply his/ her talent and knowledge to work for the organization with high ethical standards in order to add more value to the company and for the economy.	
ii) Performance gap of executives and staffs		
iii) Potential external events	No potential external events are expected to expose the Bank to significant operational risk.	
iv) Policies and Processes for mitigating operational risk:	The Bank has adopted policies which deal with managing different Operational Risk. Bank strongly follows KYC norms for its customer dealings and other banking operations. The Internal Control and Compliance Division of the Bank, the inspection teams of Bangladesh Bank and External Auditors conduct inspection of different branches and divisions at Head Office of the Bank and submit reports presenting the findings of the inspections. Necessary control measures and corrective actions have been taken on the suggestions or observations made in these reports.	
	In 2015 IC&C Division conducted following No. of audit:	
	No. of Comprehensive Audit on branches	97 Branches
	No. of Comprehensive Audit at Head Office	19 Divisions/ Departments
	No. of Spot audits	d) 12 Spot Audit e) 34 IT Audit f) 1088 no. pay point audits
v) Approach for calculating capital charge for operational risk	No. of Spot Inspection on Anti Fraud Internal Control	38 spot inspection report on Anti Fraud Internal Control
	The Bank follows the Basic Indicator Approach (BIA) in terms of BRPD Circular No. 18 dated 21 December 2014 Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III). The BIA stipulates the capital charge for operational risk is a fixed percentage, denoted by α (alpha) of average positive annual gross income of the Bank over the past three years. It also states that if the annual gross income for any year is negative or zero, that should be excluded from both the numerator and denominator when calculating the average gross income. The capital charge for operational risk is enumerated by applying the following formula: $K = [(GI_1 + GI_2 + GI_3) \alpha] / n$	
b) Quantitative Disclosures:		
The capital requirements for operational risk		
(Amount in Million)		
Particulars	RWA	Capital Requirement
Minimum Capital Requirement: Operation Risk	9845.45	984.54



i) Liquidity Ratio:

a) Qualitative Disclosures:	
i) Views of BOD on system to reduce liquidity Risk	<p>The Bank manages liquidity risk in accordance with its ALM Policy. This policy is framed as per regulatory guidelines and is approved by the Board of Directors. The ALM Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign with changes in the economic landscape. The ALCO of the Bank formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the ALM Policy.</p>
ii) Methods used to measure Liquidity risk	<p>Liquidity risk is measured and monitored through two approaches-</p> <p>1) Time Bucket Analysis :</p> <p>Time Bucket Analysis involves comprehensive tracking of cash flow mismatches and is done through preparation of Structural liquidity statement on a regular basis. Appropriate tolerance levels/prudential limits have been stipulated for mismatches in different time buckets.</p> <p>2) Ratio Analysis:</p> <p>Under Ratio Analysis various balance sheet ratios are prescribed with appropriate limits. The compliance of ratios to the prescribed limits ensures that the Bank has managed its liquidity through appropriate diversification and kept it within the sustainable limit.</p> <p>The Bank also assess its short-term liquidity mismatches and reports the same in the short term dynamic liquidity report which represents the cash flow plans of various asset and liability generating units and seasonal variation of cash flow patterns of assets and liabilities of the bank over a period of 1-90 days.</p>
iii) Liquidity Risk Management System	<p>A liquidity risk management involves not only analyzing banks on and off balance sheet positions to forecast future cash flows but also how the funding requirement would be met. The later involves identifying the funding market the bank has access, understanding the nature of those markets, evaluating banks current and future use of the market and monitor signs of confidence erosion.</p> <p>Trust Bank has well organized liquidity risk management system as enumerated in ALM Policy which is approved by the Board. The Asset Liability Management Committee (ALCO) of the Bank monitors & manages liquidity and interest rate risk in line with the business strategy. ALM activity including liquidity analysis & management is conducted through coordination between various ALCO support groups residing in the functional areas of Balance Sheet Management, Treasury Front Office, Budget and Planning etc.</p>
iv) Policies and Processes for mitigating Liquidity risk	<p>An effective liquidity risk management process should include systems to identify measure, monitor and control its liquidity exposures.</p> <p>To mitigate the liquidity risk, Management of our bank identify and quantify the primary sources of a bank's following risk in a timely manner. By proper identify of the sources, management understand both existing as well as future risk that the bank can be exposed to. Our Management always alert for new sources of liquidity risk at both the transaction and portfolio levels.</p> <p>Key elements of an effective risk management process include an efficient MIS to measure, monitor and control existing as well as future liquidity risks and reporting them to senior management and the board of directors.</p>



b) Quantitative Disclosures:		
	Liquidity Coverage Ratio	111.50%
	Net Stable Funding Ratio (NSFR)	124.64%
	Stock of High quality liquid assets	34633.55 (Million)
	Total net cash outflows over the next 30 calendar days	17508.40 (Million)
	Available amount of stable funding	158338.90 (Million)
	Required amount of stable funding	127034.53 (Million)

j) Leverage Ratio:

a) Qualitative Disclosures:									
i) Views of BoD on system to reduce excessive leverage	Excessive leverage by banks is widely believed to have contributed to the global financial crisis. Thus Basel III rules have introduced leverage ratio as a non-risk-based backstop measure, to supplement risk-based capital requirements. Board of Directors of our Bank continuously monitoring the exposure limit of lending, capital strength of our Bank in order to avoid building-up excessive on- and off-balance sheet leverage.								
ii) Policies and processes for managing excessive on and off-balance sheet leverage	<p>Many regulators are considering raising the leverage ratio. This means that banks will have to keep more capital reserves. To increase capital reserves in order to meet higher leverage ratios requires selling assets to get cash or reducing lending.</p> <p>Higher leverage ratio can decrease the profitability of banks because it means banks can do less profitable lending. However, increasing the leverage ratio means that banks have more capital reserves and can more easily survive a financial crisis.</p> <p>In view of the impact of leverage into the business, our bank management takes decision about future investment. Considering the financial strength, Bank also make Capital planning and business budget to go on a right way.</p>								
iii) Approach for calculating exposure	<p>The leverage ratio is a volume-based measure and is calculated as Basel III Tier I capital divided by total on and off-balance sheet exposures.</p> <p>A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level.</p> <p style="text-align: right;">Tier 1 Capital (after related deductions)</p> <p>Leverage Ratio = $\frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$</p>								
b) Quantitative Disclosures:									
	<table><tr><td>Leverage Ratio</td><td>4.81%</td></tr><tr><td>On balance sheet exposure</td><td>180451.08 (Million)</td></tr><tr><td>Off balance sheet exposure</td><td>21140.41 (Million)</td></tr><tr><td>Total exposure</td><td>201502.83 (Million)</td></tr></table>	Leverage Ratio	4.81%	On balance sheet exposure	180451.08 (Million)	Off balance sheet exposure	21140.41 (Million)	Total exposure	201502.83 (Million)
Leverage Ratio	4.81%								
On balance sheet exposure	180451.08 (Million)								
Off balance sheet exposure	21140.41 (Million)								
Total exposure	201502.83 (Million)								

k) Remuneration:

The following remuneration disclosures have been prepared in accordance with 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' provided by Bangladesh Bank. The prudential disclosures require that all banks meet the minimum requirements for public disclosure of qualitative and quantitative information of the remuneration practices.



The qualitative remuneration disclosures are broader in scope and cover all the individuals included where as the quantitative information relates to senior managers and material risk takers of the Trust Bank Limited, for the financial year ended December 31, 2015.

Qualitative Disclosures	<p>(a) Information relating to the bodies that oversee remuneration:</p> <p>The Executive Committee (EC) of Trust Bank Limited provides assistance to the Board of Directors in relation to the remuneration arrangements of the Bank. The Board makes all final decisions in relation to those arrangements. The Committee consists of the following members as at Dec 31, 2015:</p> <ul style="list-style-type: none"> • Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD • Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc • Mr. Ashrafuzzaman Khan • Brig Gen Md Zakir Hossain, psc, te • Mr. Ishtiaque Ahmed Chowdhury <p>In summary the committee is responsible for:</p> <ul style="list-style-type: none"> • Any changes in remuneration policy and structure • Basis on which performance based remuneration will provided <p>The committee may consult a professional adviser or expert, at the cost of the Bank, if the committee considers it necessary to carry out its duties and responsibilities. However no adviser or expert was appointed during the reporting period.</p> <p>The Bank has no foreign subsidiaries or branches.</p> <p>The Bank has 36 (Thirty Six) "Senior managers" including MD & CEO at the end of the reporting period.</p>
	<p>(b) Information relating to the design and structure of remuneration processes:</p> <p>Objective of Bank's Compensation policy is:</p> <ul style="list-style-type: none"> • To maintain fair, consistent and equitable compensation practices in alignment with Bank's core values and strategic business goals. • To provide a competitive pay package compare to the best practices in the industry. • To ensure effective governance of compensation. • To have mechanisms in place for effective supervisory oversight in compensation. <p>In the year 2015, the salary structure of the bank was reviewed by the EC and finally approved by the Board, where the structure was adjusted with the then inflation rate.</p> <p>The structure of remuneration arrangements for all employees consists of following components:</p> <ul style="list-style-type: none"> • Fixed Remuneration; and • Variable pay <p>The fixed remuneration is made up of base remuneration and superannuation. Base remuneration includes salary and allowances paid in cash.</p> <p>Superannuation is paid to the employee at the time of retirement.</p> <p>Variable pay consists of Incentive bonuses awards to most of the banks employee which are discretionary and recognize annual performance over the financial year. Therefore, performance is measured and reviewed against set goals which include financial and non-financial metrics.</p> <p>Moreover, the employees whose job nature shows risk factors are allowed risk allowances as prescribed in the policy. In addition, employees with compliance and supervisory responsibilities are also provided additional benefits besides their regular pay.</p>



	(c) Description of the ways in which current and future risks are taken into account in the remuneration processes:
	<p>The Bank's remuneration practices are carefully managed takes into account the following key risks when implementing remuneration measures:</p> <ul style="list-style-type: none"> • Financial Risks • Compliance Risks <p>Risk and compliance requirements represent a gateway to whether an incentive bonus payment is made and the size of the payment. Despite, if the individual does not meet or only partially meets compliance requirements, no award or a reduced award may be made.</p>
	(d) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration:
	<p>Employees' performance is appraised annually in line with the achieved objectives, which have a positive and direct impact in their pay package. So, individual's remuneration may vary according to their performance.</p> <p>The payment is dependent on the Board's discretion, taking into account the recent performance of the Bank.</p>
	(e) Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance:
	<p>The Bank's remuneration system is designed to reward long-term as well as short-term performance, encourage retention and recognize special performance in the organization. The Bank provides reasonable remuneration for short-term performance besides for long-term performance the bank has some deferred payment options (i.e. incentive bonus, gratuity, superannuation etc.)</p> <p>In case of following situation remuneration can be adjusted before vesting:</p> <ul style="list-style-type: none"> • Disciplinary Action (at the discretion of Enquiry committee) • Resignation of the employee prior to the payment date. <p>At the same time previously paid or already vested variable pay can also be recovered under the case of disciplinary action (at the discretion of the Enquiry Committee and approval of Executive Committee)</p>
Quantitative Disclosures	(f) Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms:
	<p>The main forms of such variable remuneration include:</p> <ul style="list-style-type: none"> • Monthly Cash benefits • Incentive plan for the employees to be paid annually <p>The form of variable remuneration depends on the job level of individual, risk involved, the time horizon for review of quality of the assignments performed.</p>
	(g) Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member:
	<p>The committee held 6 no. meeting during the financial year.</p> <p>No fees paid to the Committee Members as remuneration for attending such meetings.</p>



	<p>(h) Number of employees having received a variable remuneration award during the financial year: Incentive Bonuses: 36 Senior Managers</p> <p>Number and total amount of guaranteed bonuses awarded during the financial year Festival bonuses: Total 36 no. of employees received 2 numbers of guaranteed festival bonuses amounted BDT 99,33,200.</p> <p>Number and total amount of sign-on award made during the financial year. Nil</p> <p>Number and total amount of severance payments made during the financial year. Nil</p>
	<p>(i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms: Nil</p> <p>Total amount of deferred remuneration paid out in the financial year: Nil</p>
	<p>(j) Breakdown of amount of remuneration awards for the financial year to show: Fixed: BDT 11,31,94,530/- Variable: BDT 7,43,500/- Incentive Bonus: BDT 2,13,79,500/- All Non-deferred and cash based</p>
	<p>(k) Quantitative Information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. clawbacks or similar reversals or downward revaluation of awards) of deferred remuneration and retained remuneration:</p> <p>Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments. Nil</p> <p>Total amount of reductions during the financial year due to ex post explicit adjustments. Nil</p> <p>Total amount of reduction during the financial year due to ex post implicit adjustments. Nil</p>

Green Banking





Sustainable development has emerged as a new paradigm of development in response to the current discourse of development that over-exploits natural environment for economic prosperity. The sustainable development can best be achieved by allowing markets to work within an appropriate framework of cost efficient regulations and financial institutions such as banking sector. The banking sector influences the economic growth and development in terms of both quality and quantity, there-by changing the nature of economic growth. Banking sector is one of the major sources of financing investment for commercial projects which is one of the most important economic activities for economic growth. Therefore, banking sector can play a crucial role in promoting environmentally sustainable and socially responsible investment. Banks may not be the polluters themselves but they can probably reduce the pollutions through the financing in the Green Sector.

To minimize the environmental degradation, pollutions, Green Banking can contribute significantly with other environment-concerned organizations since it can protect the environment and conserve the resources.

Green Banking is defined as promoting eco-friendly banking practices and reducing emitted carbon mark from banking activities. Green Banking mainly focuses on two prolonged approaches. First, it puts emphasis on green revolution of internal operations of banks, meaning banks should adopt proper ways of consuming renewable energy, digitalization and other measures to minimize carbon mark from banking sectors. Secondly, banks should adopt financing in an environment-friendly way. Generally Green Banking exposure includes: sustainable banking, ethical banking, green financing, mobile banking, online banking etc. The main objective of green banking is to minimize the carbon emission and give importance to environment and society.



Honorable Governor of Bangladesh Bank Dr. Atiur Rahman and Mr. Ishtiaque Ahmed Chowdhury, Managing Director and CEO of Trust Bank Limited handed over a Gift hamper to Tk.10/- account holders under Financial Literacy Program organized by Financial Inclusion Department of Bangladesh Bank in the Banking Fair 2015.

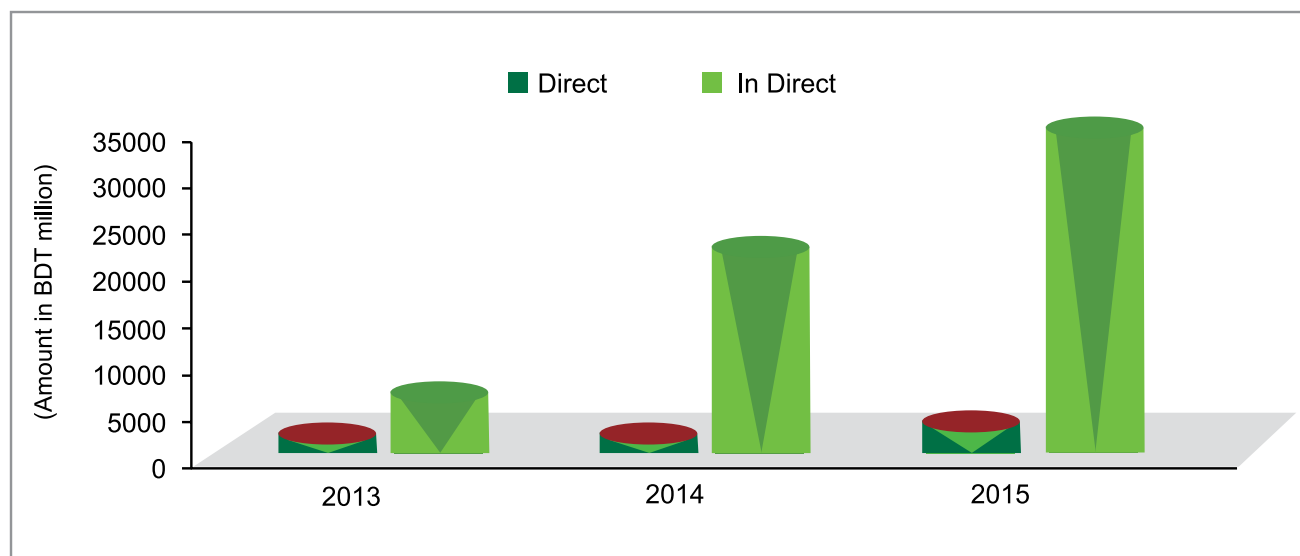
In adherence to Bangladesh Bank policy guidelines, Trust Bank has formulated Green Banking Policy in the year 2011 with a view to exercising a responsible banking while taking lending decisions. Trust Bank believes that green growth cannot be achieved without green investment. Shifting the investment from fossil fuel to green energy is the only way for transforming economic growth paths.



Mr. Retanti Talukder, Head of SME, Agri. and SF department representing Trust Bank Limited in a seminar on Renewable Energy and Green Finance at BIBM, Dhaka.



TBL's Green Finance growth



Cumulative Disbursement of Green Finance up to 2015

▪ Effluent Treatment Plant (ETP)	: Tk.55,888.02 million
▪ Biogas Plant	: Tk.583.96 million against 2,711 numbers
▪ Solar Energy (SHS & Irrigation)	: Tk.76.82 million against 2,748 numbers
▪ Improved Brick Kiln	: Tk.263.05 million against 26 numbers
▪ Green Industries	: Tk.1,273.96 million against 01 industry
▪ Safety & Securities Factories	: Tk.25.69 million against 03 numbers
▪ Taka 10.00 account holders	: Tk.15.09 million against 329 account holders

Trust Bank Limited (TBL) has developed two innovative green finance products named '**Trust Shufola**' and '**Trust Prantik**' which directly or indirectly contribute to the reduction of carbon emissions and also increase financial inclusion. TBL's major green finance include ETP, Hybrid Hoffman Kiln (HHK), Zigzag or equivalent Technology in Brick Field, Renewable Energy like as Bio-Gas Plant, Solar Home System, Solar Irrigation Pump, Green Industries, Green Building, Safety and Securities Factories etc. We have also allocation of budget for "Green Finance" and "Climate Risk Fund" every year



A delegation team from United Nations Environmental Program (UNEP) visited the biogas plants financed by Trust Bank Limited under a cluster approach of Dhamrai, Dhaka.



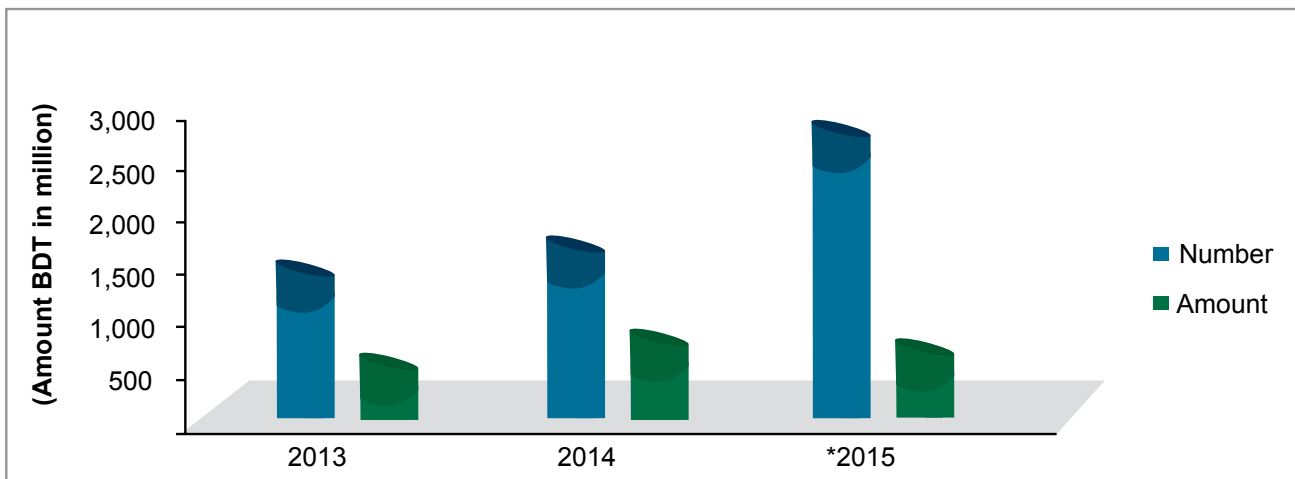
Major Segments of Green Finance of TBL

Trust Bank has started contributing in the renewable energy sector through financing on Bio gas plant and Solar-home system. We are said to be the pioneer in the financing of Biogas plant among the Banking financial institutions in Bangladesh.

Biogas

In Bangladesh only a certain percentage of the population who live in the cities enjoy the facility of natural gas facilities. On the other hand, majority of the population living in the rural areas largely depend on animal dung, straw, fire wood etc. for fuel. Trust Bank's financing in Biogas plant is to meet the energy demand of rural population and also to improve the socio economic condition of these people.

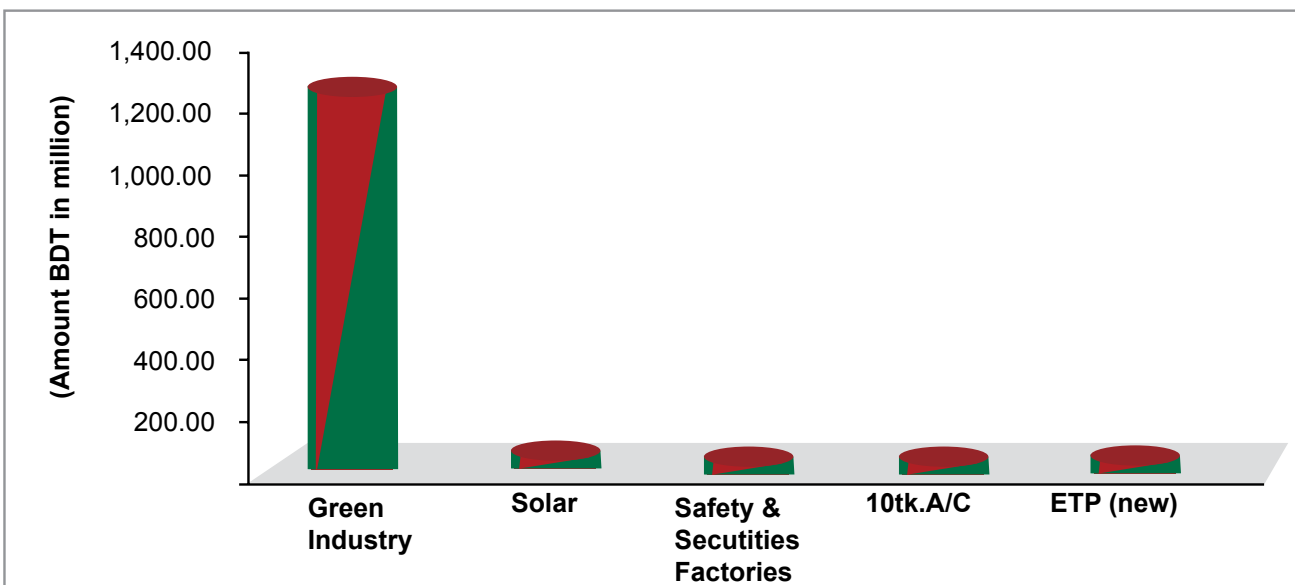
Cumulative Finance in Biogas Plants



Other Green Finance

Besides Biogas Plants, Trust Bank also financed in different categories of Green product like Solar Energy, ETP (new), Safety and Securities Factories, Improve Brick kiln, Green Industries, Taka 10/- account holders (marginal people) . Trust Bank reached the rural population through MFI linkage in the form of solar home system and Irrigation Pump for agriculture. It has financed in Solar Home System at Howlipara, Jhenaidah which is yet to be declared as Solar Village and also provided credit facilities to those peoples.

Cumulative Disbursement of Direct Green Finance (other than Biogas Plant)





Capacity & Awareness Building Program

Change of mind set is the primary barrier for the growth and development of environment friendly financing by the bankers. So, Trust Bank provides training and organizes workshops session for sensitization of its employees about environmental issues every year.



A discussion session on "Respect to Mother Nature, change of mindset and responsible act of individuals/organizations can minimize the risk of global warming and climate change" was organized by SME, Agri. and Green Banking Division at TBL Head Office. Mr. Matthias Gelber (The Green Man), Co-Founder Maleki GmbH, Germany, International Trainer & Green Activist was the guest speaker of the session.



Report of the Audit Committee

In compliance with BRPD circular # 12 dated 23 December 2002 of Bangladesh Bank, Audit Committee of the Board of Directors was at first formed on 5 February 2003 in the 64th Board Meeting. Major objectives of the Audit Committee are:

The Audit Committee will assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process and bank's process for monitoring compliance with laws and regulations and its own code of business conduct.

Composition of Audit Committee

As per Corporate Governance Guideline of BSEC, the Committee was reconstituted with consistence of the following members of Board:

Name	Status with Committee	Remarks
Mr. Shahedul Islam	Chairman	
Mr. M A Haider Hussain	Member	
Brig Gen Kazi A S M Arif, afwc, psc	Member	Resigned from the Board w.e.f. 28.12.2015
Brig Gen Mohammad Omar Zahid, psc	Member	Appointed as Director w.e.f. 27.01.2016
Mr. Khaled Mahbub Morshed, FCA	Company Secretary	

In compliance with Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012, Mr. Shahedul Islam has been appointed as the Chairman of the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

Roles and Responsibilities of Audit Committee

The purposes, authority, duties and responsibilities of the Audit Committee are clearly mentioned in the Audit Committee Charter. To recognize the importance of oversight responsibilities of the Board enunciated in the aforementioned BRPD circular with special emphasis on ensuring compliance in the light of all applicable legislations, the prime responsibilities of the Audit Committee, among other things, are as follows:

a) Internal control

1. Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have understanding of their roles and responsibilities;
2. Review the arrangements made by the management for building a suitable Management Information System (MIS) including computerization system and its applications;
3. Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;
4. Review the existing risk management procedures for ensuring an effective internal check and control system;
5. Review the corrective measures taken by the management as regards the reports relating to fraud-forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and inform the Board on a regular basis;
6. Review Management Letters/Letter of Internal Control weakness issued by statutory auditors;
7. Monitor choice of accounting policies and principles, internal control risk management process, hiring of external auditors and its' performance;



8. When money is raised through Initial Public Offering (IPO) / Repeat Public Offering (RPO) / Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expense, working capital, etc), on a quarterly basis, as part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document /prospectus;
9. Review the Norms / Practices / Investigation on the current issue of trading of foreign currency;
10. Review activities of any division / department / unit of Head Office and recommend to Board to set better layout / guideline for improvement.
11. Review CSR activities;
12. Review the financial statements, in particular the investments made by the subsidiary company.

b) Financial Reporting

1. Review the annual, half yearly and quarterly financial statements before submission to the Board for approval and determine whether they are complete and consistent with the accounting standards set by the regulatory authority;
2. Meet with management and the external auditors to review the financial statements before their finalization.

c) Internal Audit

1. Review the activities and organizational structure of the internal audit function and ensure that no unjustified restrictions or limitations is made;
2. Review the efficiency and effectiveness of internal audit function;
3. Review that finding and recommendations made by the internal auditors for removing the irregularities detected and also running the affairs of the bank are duly considered by the management.

d) External Audit

1. Review the auditing performance of the external auditors and their audit reports;
2. Review the findings and recommendations made by the external auditors for removing the irregularities detected and also running the affairs of the Bank are duly considered by the management;
3. Make recommendations to the Board regarding the appointment of the external auditors.

e) Compliance with Existing Laws and Regulations

Review whether the laws and regulations framed by the regulatory authorities (i.e. Bangladesh Bank, BSEC and other bodies) and internal regulations approved by the Board have been complied with.

f) Other Responsibilities

1. Place compliance report before the Board on quarterly basis regarding regularization of the errors & omissions, fraud and forgeries and other irregularities as detected by the internal and external auditors and inspectors of regulatory authorities;
2. Perform other oversight functions as requested by the Board and evaluate the committee's own performance on a regular basis.

Meeting of the Committee

During the year 2015, Five (05) meetings were held. In these meetings Managing Director, Head of IC&C, Head of Credit Administration and Chief Financial Officer were invited to attend as and when the Committee required their presence. The committee had another meeting in 2016 to deal in the Auditors' Report and financial statements of 2015, wherein external auditors of the Bank were present.



Activities

During the year under review, the Audit Committee focused on the following major issues:

1. Review and approval/concurrence of annual audit plan of IC&C Division of Head Office;
2. Review of significant audit reports of different branches and divisions/departments of Head Office and compliance thereof submitted by Management.
3. Review the status of classified loans of the Bank;
4. Review the external auditors' report and their Management letter and compliance thereof;
5. Review of Bank's Health Report (prepared by IC&C) at quarterly rest;
6. Review the gradual expansion of financing the SME Sector including Green Banking;
7. Review the summary report on Internal Audits of different Branches & Divisions of Head Office.

Review of Financial Statements of 2015

The committee in its 57(02/2016) meeting held on 15 March 2016 reviewed the annual financial statements for the year of 2015 wherein representative of external auditors were present. The external auditors expressed their opinion before the Committee that they have observed much improvement in the quality of Bank's assets in their 1 year period. The representatives further opined that quality of Bank's financial reporting has also improved and assured the Audit Committee that the financial statements for the year 2015 prepared by the Management represent a true and fair view of the state of affairs of the Bank. The Audit Committee, therefore, recommended those for approval by the Board of Directors.

Shahedul Islam
Chairman, Audit Committee

শরীয়াহ সুপারভাইজরী কমিটি চেয়ারম্যান মহোদয়ের বাণী

বিসমিল্লাহির রাহমানির রাহীম

সকল প্রশংসা আল্লাহ সুবহানু-ওয়া-তা'আলার জন্য যিনি এক ও অদ্বিতীয়, দয়াবান এবং ক্ষমাশীল।

ট্রাস্ট ইসলামিক ব্যাংকিং বিগত ২০১৫ সালে আমানত ও বিনিয়োগসহ ব্যবসায়িক ক্ষেত্রে প্রশংসনীয় প্রবৃদ্ধি অর্জন করায় এবং ইসলামিক ব্যাংকিং কার্যক্রম পরিচালনায় শরীয়াহ নীতিমালা বাস্তবায়নে ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও ইসলামিক ব্যাংকিং বিভাগের সচেষ্টিততা ও আন্তরিকতায় শরীয়াহ সুপারভাইজরী কমিটির পক্ষ থেকে সবাইকে আন্তরিক অভিবাদন জানাচ্ছি। বিগত বৎসরে ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম সমূহে শরীয়াহ সুপারভাইজরী কমিটি তাদের বিবেচনা প্রসূত সিদ্ধান্ত এবং দিকনির্দেশনা স্বাধীনভাবে প্রদান করেছে, সর্বোপরি ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম পর্যালোচনায় সন্তোষ প্রকাশ করেছে। শরীয়াহ সুপারভাইজরী কমিটি ব্যাংকের পরিচালনা পর্ষদ এবং ব্যবস্থাপনা কর্তৃপক্ষকে ট্রাস্ট ইসলামিক ব্যাংকিং এর সার্বিক কার্যক্রম ও এর ব্যবসায়িক অগ্রগতির জন্য আন্তরিক মোবারকবাদ জ্ঞাপন করেছে।

সম্মানিত শেয়ারহোল্ডারবৃন্দ, ট্রাস্ট ইসলামিক ব্যাংকিং এর সেবার মান, প্রবৃদ্ধি ও আপনাদের আস্থার জন্য মহান আল্লাহ সুবহানু-ওয়া-তা'আলার শুকরিয়া আদায় করছি। মহান আল্লাহ সুবহানু-ওয়া-তা'আলা আমাদের সকলকে শরীয়াহ নীতি পরিপালনে শক্তি দান করুন, আমিন।

মা-আসসালাম



মুফ্তী মুহাম্মদ আবদুল্লাহ
চেয়ারম্যান, শরীয়াহ সুপারভাইজরী কমিটি
ট্রাস্ট ব্যাংক লিমিটেড

শরীয়াহ সুপারভাইজরী কমিটির প্রতিবেদন

বিসমিল্লাহির রাহমানির রাহীম।

সম্মানিত শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ।

ট্রাস্ট ব্যাংকের ২০১৫ সালের ইসলামিক ব্যাংকিং এর সার্বিক কার্যক্রম ও এর ব্যবসায়িক উন্নতির জন্য আমি মহান আল্লাহ সুব্হানু-ওয়া-তা'আলার শুকরিয়া আদায় করছি। শুরুতেই ট্রাস্ট ব্যাংক লিঃ এর ইসলামিক ব্যাংকিং কার্যক্রমে আপনাদের আস্থা সহ এর উন্নয়নের জন্য পরিচালনা পর্ষদ এবং ব্যবস্থাপনা কর্তৃপক্ষকে সর্বাত্মক সমর্থন, দিকনির্দেশনা ও উদ্যোগের জন্য আমরা আন্তরিক মোবারকবাদ জ্ঞাপন করছি।

শরীয়াহ পরিপালন

ট্রাস্ট ইসলামিক ব্যাংকিং এর সকল পণ্য এবং সেবাসমূহ শরীয়াহ নীতিমালার আলোকে শরীয়াহ সুপারভাইজরী কমিটি কর্তৃক অনুমোদন সাপেক্ষে চালু করা হয়েছে। ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক উত্থাপিত ইসলামিক ব্যাংকিং কার্যক্রম সমূহে শরীয়াহ সুপারভাইজরী কমিটি তাদের বিবেচনা প্রসূত সিদ্ধান্ত এবং দিকনির্দেশনা স্বাধীনভাবে প্রদান করেছে এবং ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম পর্যালোচনা করেছে।

ট্রাস্ট ইসলামিক ব্যাংকিং কার্যক্রমের লাভ-ক্ষতির হিসাব পৃথকভাবে করা হয় এবং তহবিল পরিচালনায় ব্যাংকের প্রচলিত (Conventional) অংশের সাথে এর কোন সম্পর্ক নেই। আলোচ্য বছর আমরা ছয়টি (০৬) শরীয়াহ সুপারভাইজরী কমিটি মিটিং করেছি যা ইসলামিক ব্যাংকিং পরিচালনায় শরীয়াহ পরিপালনে যথোপযুক্ত ও কার্যকরী ভূমিকা রেখেছে।

শরীয়াহ অডিট

ট্রাস্ট ইসলামিক ব্যাংকিং কার্যক্রমে শরীয়াহ পরিপালন নিশ্চিতকল্পে ব্যাংকের ৫টি শাখায় (উইন্ডো) শরীয়াহ অডিট পরিচালনা করা হয়েছে। ব্যাংক কর্তৃক মনোনীত “মুরাকীব” (Auditor) এ সকল অডিট পরিচালনা করেছেন এবং ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও শরীয়াহ সুপারভাইজরী কমিটিতে তার প্রতিবেদন উপস্থাপন করেছেন। শরীয়াহ অনিয়ম গুলোর বিষয়ে কেন্দ্রীয় শরীয়াহ কাউন্সিল প্রদত্ত নীতিমালা ও ট্রাস্ট ব্যাংক শরীয়াহ সুপারভাইজরী কমিটি অনুমোদিত নীতিমালার আলোকে প্রণীত শরীয়াহ গাইড লাইনের ভিত্তিতে শরীয়াহ অডিট পরিচালনা করা হয়েছে। যার ফলে শরীয়াহ নীতিমালার পরিপালন আরও আস্থা ও গতিশীলতা অর্জন করেছে।

ধন্যবাদ জ্ঞাপন ও কৃতজ্ঞতা প্রকাশ

সম্মানিত শেয়ারহোল্ডারবৃন্দ, ট্রাস্ট ইসলামিক ব্যাংকিং বিগত ২০১৫ সালে আমানত ও বিনিয়োগসহ ব্যবসায়িক প্রবৃদ্ধি অর্জন করায় এবং ইসলামিক ব্যাংকিং কার্যক্রম পরিচালনায় শরীয়াহ নীতিমালা বাস্তবায়নে সচেতনতা ও আন্তরিকতার জন্য ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও ইসলামিক ব্যাংকিং বিভাগকে আন্তরিক মোবারকবাদ জ্ঞাপন করছি এবং একই সাথে আপনাদের সকল উদ্যোগ ও সহযোগিতার জন্য ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছি। মহান আল্লাহ সুব্হানু-ওয়া-তা'আলা আমাদের সকলকে শরীয়াহ নীতি পরিপালনে শক্তি দান করুন এবং তাঁর রহমতের ছায়াতলে আশ্রয় দান করুন, আমিন।

মা-আসসালাম



মুফতী মুহাম্মদ আবদুল্লাহ

চেয়ারম্যান, শরীয়াহ সুপারভাইজরী কমিটি

ট্রাস্ট ব্যাংক লিমিটেড

Positive Indicators in 2015

Particulars	Consolidated	Growth %
Loans and Advances	133,654,185,621	19.96%
Investments	25,847,685,185	27.16%
Total Assets	181,906,229,696	23.00%
Deposits	150,901,566,857	20.56%
Total Capital	13,922,314,764	3.75%
Paid-Up Capital	4,688,267,820	10.00%
Common Equity Tier I Capital	9,700,008,335	14.64%
Total Shareholders' Equity	9,846,535,818	16.36%
Statutory Reserve	3,333,692,338	23.06%
Total Interest /Profit on Investment	13,996,765,340	11.48%
Net Asset Value (NAV)	9,846,535,818	17.02%
Total Operating Income	7,865,021,939	25.28%
Total Profit before Tax	3,183,320,762	14.81%
Earning per Share (EPS)	3.29	18.77%
Credit Deposit Ratio	88.57%	0.49%
NPL Ratio	2.74%	11.84%
Return of Investment (ROI)	11.06%	14.26%

Independent Auditors' Report
To The Shareholders of
Trust Bank Limited





Independent Auditors' Report to the Shareholders of Trust Bank Limited

We have audited the accompanying consolidated financial statements of Trust Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Trust Bank Limited (the "Bank"), which comprise the consolidated balance sheet and the separate balance sheet as at 31 December 2015, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also the separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Companies Act, 1991 as amended and the Bangladesh Bank regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and the separate financial statements of the Bank are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of consolidated financial statements of the Group and the separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and the separate financial statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and also the separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2015, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Bank Companies Act 1991 as amended in 2013 and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements



of the Group and the separate financial statements of the Bank and considering the reports of the management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:

- i) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in notes 2.22.4 appeared to be adequate with immaterial control deficiencies as identified in management report.
- ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities.
- (c) financial statements of subsidiary companies of the Bank namely Trust Bank Investment Limited and Trust Bank Securities Limited have been audited by A. Qasem & Co. and Hussain Farhad & Co., Chartered Accountants respectively as on 31st December 2015. These accounts have been properly reflected in the consolidated financial statements;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the Bank's business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and Bangladesh Financial Reporting Standards as explained in note 2. as well as with related guidelines, circulars issued by Bangladesh Bank and the instruction given by Bangladesh Bank vide Letter No: DBI-1/114/2016-300 dated 06/03/2016 after the tripartite meeting amongst Inspection Team of Bangladesh Bank, External Auditors and the Management of Trust Bank Limited held on February 29, 2016.
- (h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanation required by us have been received and found satisfactory; and
- (k) we have reviewed over 80% of the risk weighted assets covering 12 out of the 107 branches of the Bank and we have spent around 4,140 person hours for the audit of the books and accounts of the Bank.

Date: 23 March 2016
Place: Dhaka

Syful Shamsul Alam & Co.
Chartered Accountants



TRUST BANK LIMITED

and its subsidiaries
Consolidated Balance Sheet
As on 31 December 2015

	Notes	31.12.2015 Taka	31.12.2014 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)		2,714,773,207	2,762,710,234
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		11,287,838,567	7,991,254,036
		14,002,611,774	10,753,964,270
Balance with other banks and financial institutions	4 (a)		
In Bangladesh		2,871,605,130	1,516,679,276
Outside Bangladesh		2,191,491,312	839,161,699
		5,063,096,442	2,355,840,975
Money at call and short notice	5	-	-
Investments	6 (a)		
Government		22,352,800,620	18,336,141,874
Others		3,494,884,565	1,990,587,517
		25,847,685,185	20,326,729,391
Loans and Advances/Islami Banking Investments	7 (a)		
Loans, Cash Credit, Overdrafts etc./ Investment		130,715,404,897	106,798,730,599
Bills purchased and discounted		2,938,780,724	4,613,800,094
		133,654,185,621	111,412,530,693
Fixed assets including premises, furniture and fixtures	8 (a)	838,488,553	617,110,896
Other assets	9 (a)	2,500,162,121	2,427,229,671
Non-banking assets		-	-
Total Assets		181,906,229,696	147,893,405,896
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10 (a)	12,935,168,654	6,891,749,294
Deposits and other accounts	11 (a)		
Current / Al-wadeeah Current Accounts and other Accounts		16,951,851,269	17,780,338,054
Bills Payable		1,287,908,705	1,036,516,066
Savings Bank / Mudaraba Savings Deposits		18,521,408,929	11,743,061,753
Fixed Deposits / Mudaraba Term Deposits		114,140,397,954	94,603,273,591
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		150,901,566,857	125,163,189,464
Other liabilities	12 (a)	8,222,958,367	7,376,484,378
Total Liabilities		172,059,693,878	139,431,423,136
Capital/Shareholders' Equity			
Paid up Capital	13.2	4,688,267,820	4,262,061,660
Minority Interest	13 (a)	789	789
Foreign Currency Translation Reserve		229,665	187,663
Share Premium Account	14	-	75,576,040
Statutory Reserve	15	3,333,692,338	2,709,042,761
Other Reserve	16	57,636,494	547,322
Retained Earnings	16 (a)	1,766,708,712	1,414,566,525
Total Shareholders' Equity		9,846,535,818	8,461,982,760
Total Liabilities and Shareholders' Equity		181,906,229,696	147,893,405,896



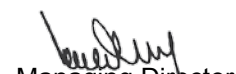
	Notes	31.12.2015 Taka	31.12.2014 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities	17		
Acceptances and endorsements		17,410,197,442	14,109,389,575
Letter of Guarantees		12,523,939,245	7,781,974,598
Irrevocable Letter of Credits		22,044,819,756	22,064,771,620
Bills for collection		5,808,089,329	3,641,209,510
		57,787,045,772	47,597,345,303
Other Contingent Liabilities			
Value of travelers' cheques in hand		-	-
Total:		57,787,045,772	47,597,345,303
Other commitments			
Documentary Credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total Off-Balance Sheet items including contingent liabilities		57,787,045,772	47,597,345,303

The annexed notes 1-45 form an integral part of the Financial Statements.


Vice Chairman



Director


Director


Managing Director

Signed as per annexed report of same date

Dated: Dhaka
March 23, 2016


Syful Shamsul Alam & Co
Chartered Accountants



TRUST BANK LIMITED
and its subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2015


	Notes	31.12.2015 Taka	31.12.2014 Taka
Interest income / Profit on Investment	19 (a)	13,996,765,340	12,555,121,182
Interest / Profit paid on deposits and borrowings etc.	20 (a)	10,076,669,421	9,675,600,613
Net interest income		3,920,095,919	2,879,520,569
Income from investments	21 (a)	2,157,626,450	1,890,210,128
Commission, exchange and brokerage	22 (a)	1,256,561,598	993,176,813
Other operating income	23 (a)	530,737,972	514,918,843
		3,944,926,020	3,398,305,784
Total operating income		7,865,021,939	6,277,826,353
Salaries and allowances	24 (a)	2,036,341,638	1,435,995,406
Rent, taxes, insurance, electricity, etc.	25 (a)	594,114,120	376,488,292
Legal expenses		882,479	1,001,125
Postage, stamps, telecommunications, etc.	26 (a)	127,294,442	113,395,925
Stationery, printing, advertisement etc.	27 (a)	69,864,247	79,451,850
Managing Director's salary and benefits		11,280,000	11,280,000
Directors' fees	28 (a)	1,998,400	1,744,600
Auditors' fee		632,500	517,500
Charges on loan losses		-	-
Depreciation and repair of bank's assets	29 (a)	252,533,390	198,985,863
Other expenses	30 (a)	616,923,870	573,765,047
Total operating expenses		3,711,865,086	2,792,625,608
Profit before provision		4,153,156,853	3,485,200,745
Provision for loans & advances / Investments	31 (a)	947,255,958	561,394,516
Provision for Diminution in value of Investment	32 (a)	(81,394,807)	(6,413,792)
Other provision	33	103,974,940	157,620,208
		969,836,091	712,600,932
Total Profit before Taxes		3,183,320,762	2,772,599,813
Provision for Taxation			
Current tax	12.7.(a)	1,664,390,922	1,495,174,004
Deferred tax		(21,595,127)	(20,642,671)
		1,642,795,795	1,474,531,333
Net Profit after Taxation		1,540,524,967	1,298,068,480
Appropriations			
Statutory Reserve	14.1	624,649,577	539,824,551
General reserve		-	-
		624,649,577	539,824,551
Retained surplus		915,875,390	758,243,929
Earning per share (EPS)	35 (a)	3.29	2.77

The annexed notes 1-45 form an integral part of the Financial Statements.


Vice Chairman


Director


Director


Managing Director

Signed as per annexed report of same date



Dated: Dhaka
March 23, 2016

Syful Shamsul Alam & Co
Chartered Accountants



TRUST BANK LIMITED
and its subsidiaries
Consolidated Statements of Cash Flow
For the year ended 31 December 2015

	Notes	31.12.2015 Taka	31.12.2014 Taka
A. Cash flow from operating activities			
Interest received in cash		14,007,190,171	12,584,490,339
Interest payments		(10,338,705,594)	(9,278,427,084)
Dividend receipts		26,692,707	44,739,603
Fees and commission receipts in cash		1,241,053,545	970,171,150
Recoveries of loans previously written off		-	-
Cash paid to employees		(2,017,113,907)	(1,395,810,074)
Cash paid to suppliers		(64,566,548)	(51,148,724)
Income Taxes paid		(1,399,853,478)	(1,050,946,638)
Received from other operating activities (item-wise)	36 (a)	2,753,368,497	2,302,934,153
Payments for other operating activities (item-wise)	37 (a)	(1,510,623,580)	(1,202,847,544)
Operating profit before changes in operating Assets and Liabilities		2,697,441,813	2,923,155,181
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits		-	-
Net Investment in trading securities		(1,504,297,048)	(109,914,834)
Loan & advance to other banks		-	-
Loan & advance to customers		(21,903,933,699)	(27,050,123,355)
Other assets (item-wise)	38 (a)	123,324,353	(654,240,254)
Deposits from other banks		618,591,833	214,911,449
Deposits from customers		25,368,368,082	22,104,235,300
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	39 (a)	(831,292,686)	899,851,698
Net cash from operating activities (A)		4,568,202,648	(1,672,124,815)
B. Cash flow from investing activities			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		(3,959,425,374)	(1,841,809,545)
Purchase of property, plant & equipment		(427,932,707)	(261,721,979)
Purchase of intangible assets		(6,546,646)	(2,873,132)
Sale of property, plant & equipment		3,208,669	3,579,013
Net cash from investing activities (B)		(4,390,696,058)	(2,102,825,643)
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:			
Call loan		1,110,000,000	-
Re-Purchase agreement (REPO)		-	-
Other borrowings		4,880,966,695	2,859,396,084
Share Capital A/c		-	-
Share Premium A/c		-	-
Dividend paid in cash		(213,103,083)	-
Net cash from financing activities (C)		5,777,863,612	2,859,396,084
D. Net increase in Cash and Cash Equivalent (A+B+C)		5,955,370,202	(915,554,374)
E. Effects of exchange rate changes on cash and cash equivalents		676,969	4,309,405
F. Opening Cash and Cash Equivalent		13,113,974,645	14,025,219,614
G. Cash and cash equivalents at end of year (D+E+F)		19,070,021,816	13,113,974,645



TRUST BANK LIMITED
and its subsidiaries
Consolidated Statement of changes in Equity
For the year ended 31 December 2015

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as on 01 January 2015	4,262,061,660	75,576,040	789	187,663	2,709,042,761	547,322	1,414,566,525	8,461,982,760
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	57,089,172	-	57,089,172
Currency transaction difference	-	-	-	42,002	-	-	-	42,002
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	-	1,540,524,967	1,540,524,967
Statutory reserve	-	-	-	-	624,649,577	-	(624,649,577)	-
Dividends (Bonus Share)	426,206,160	(75,576,040)	-	-	-	-	(350,630,120)	-
Dividends (Cash)	-	-	-	-	-	-	(213,103,083)	(213,103,083)
Issue of Share Capital	-	-	-	-	-	-	-	-
Balance as on 31 December 2015	4,688,267,820	-	789	229,665	3,333,692,338	57,636,494	1,766,708,712	9,846,535,818

Consolidated Statement of changes in Equity
As on 31 December 2014

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as on 01 January 2014	3,805,412,200	532,225,500	789	-	2,169,218,210	37,023,453	656,322,596	7,200,202,748
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	(36,476,131)	-	(36,476,131)
Currency transaction difference	-	-	-	187,663	-	-	-	187,663
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	-	1,298,068,480	1,298,068,480
Statutory reserve	-	-	-	-	539,824,551	-	(539,824,551)	-
Dividends (Bonus Share)	456,649,460	(456,649,460)	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-	-
Balance as on 31 December 2014	4,262,061,660	75,576,040	789	187,663	2,709,042,761	547,322	1,414,566,525	8,461,982,760



TRUST BANK LIMITED
Balance Sheet
As on 31 December 2015

	Notes	31.12.2015 Taka	31.12.2014 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)		2,714,773,207	2,762,710,234
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		11,287,838,567	7,991,254,036
		14,002,611,774	10,753,964,270
Balance with other banks and financial institutions	4		
In Bangladesh		2,834,911,362	1,484,572,665
Outside Bangladesh		2,191,491,312	839,161,699
		5,026,402,674	2,323,734,364
Money at call and short notice	5	-	-
Investments	6		
Government		22,352,800,620	18,336,141,874
Others		1,909,405,437	1,016,077,687
		24,262,206,057	19,352,219,561
Loans and Advances/Islami Banking Investments	7		
Loans, Cash Credit, Overdrafts etc./ Investment		127,675,865,045	102,272,282,607
Bills purchased and discounted		2,938,780,724	4,613,800,094
		130,614,645,769	106,886,082,701
Fixed assets including premises, furniture and fixtures	8	827,551,414	603,640,075
Other assets	9	5,496,155,001	5,426,477,422
Non-banking assets		-	-
Total Assets		180,229,572,689	145,346,118,393
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	12,929,557,490	6,885,709,829
Deposits and other accounts	11		
Current / Al-wadeeah Current Accounts and other Accounts		16,904,479,838	17,676,280,741
Bills Payable		1,287,908,705	1,036,516,066
Savings Bank / Mudaraba Savings Deposits		18,521,408,929	11,743,061,753
Fixed Deposits / Mudaraba Term Deposits		114,140,397,954	94,603,273,591
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		150,854,195,426	125,059,132,151
Other liabilities	12	6,933,771,244	5,272,586,223
Total Liabilities		170,717,524,160	137,217,428,203
Capital/Shareholders' Equity			
Paid up Capital	13.2	4,688,267,820	4,262,061,660
Share Premium Account		-	75,576,040
Foreign Currency Translation Reserve		229,665	187,663
Statutory Reserve	14	3,333,692,338	2,709,042,761
Other Reserve	15	57,636,494	547,322
Retained Earnings	16	1,432,222,212	1,081,274,744
Total Shareholders' Equity		9,512,048,529	8,128,690,190
Total Liabilities and Shareholders' Equity		180,229,572,689	145,346,118,393



Notes	31.12.2015 Taka	31.12.2014 Taka
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OFF-BALANCE SHEET ITEMS

Contingent Liabilities

17

Acceptances and endorsements
Letter of Guarantees
Irrevocable Letter of Credits
Bills for collection

17,410,197,442	14,109,389,575
12,523,939,245	7,781,974,598
22,044,819,756	22,064,771,620
5,808,089,329	3,641,209,510
57,787,045,772	47,597,345,303

Other Contingent Liabilities

Value of travelers' cheques in hand

Total:

-	-
57,787,045,772	47,597,345,303

Other commitments

Documentary Credit and short term trade -related transactions
Forward assets purchased and forward deposits placed
Undrawn note issuance and revolving facilities
Undrawn formal standby facilities, credit lines and other commitments

-	-
-	-
-	-
-	-
-	-

Total Off-Balance Sheet items including contingent liabilities


57,787,045,772	47,597,345,303
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The annexed notes 1-45 form an integral part of the Financial Statements.


Vice Chairman



Director


Director


Managing Director

Signed as per annexed report of same date

Dated: Dhaka
March 23, 2016


Syful Shamsul Alam & Co
Chartered Accountants



TRUST BANK LIMITED
Profit and Loss Account
For the year ended 31 December 2015


	Notes	31.12.2015 Taka	31.12.2014 Taka
Interest income / Profit on Investment	19	13,894,898,107	12,435,701,898
Interest / Profit paid on deposits and borrowings etc.	20	10,075,225,928	9,673,233,639
Net interest income		3,819,672,179	2,762,468,259
Income from investments	21	2,010,603,555	1,840,632,093
Commission, exchange and brokerage	22	1,241,011,066	981,180,763
Other operating income	23	458,052,481	393,955,321
		3,709,667,102	3,215,768,177
Total operating income		7,529,339,281	5,978,236,436
Salaries and allowances	24	1,988,439,368	1,396,668,418
Rent, taxes, insurance, electricity, etc.	25	580,507,030	366,257,818
Legal expenses		882,479	828,625
Postage, stamps, telecommunications, etc.	26	124,991,524	111,195,498
Stationery, printing, advertisement etc.	27	69,285,866	78,871,158
Managing Director's salary and benefits		11,280,000	11,280,000
Directors' fees	28	1,809,400	1,642,600
Auditors' fee		402,500	287,500
Charges on loan losses		-	-
Depreciation and repair of bank's assets	29	248,637,909	194,751,593
Other expenses	30	602,074,731	558,774,595
Total operating expenses		3,628,310,807	2,720,557,805
Profit before provision		3,901,028,474	3,257,678,631
Provision for loans & advances / Investments	31	763,590,000	449,594,000
Provision for Diminution in value of Investment	32	(89,784,351)	(48,658,333)
Other provision	33	103,974,940	157,620,208
		777,780,589	558,555,875
Total Profit before Taxes		3,123,247,885	2,699,122,756
Provision for Taxation			
Current tax	12.5.1	1,605,000,000	1,420,000,000
Deferred tax		(21,082,363)	(20,074,789)
		1,583,917,637	1,399,925,211
Net Profit after Taxation		1,539,330,248	1,299,197,545
Appropriations			
Statutory Reserve	14.1	624,649,577	539,824,551
General reserve		-	-
		624,649,577	539,824,551
Retained surplus		914,680,671	759,372,994
Earning per share (EPS)	35	3.28	2.77

The annexed notes 1-45 form an integral part of the Financial Statements.


Vice Chairman



Director


Director


Managing Director

Signed as per annexed report on even date

Dated: Dhaka
March 23, 2016


Syful Shamsul Alam & Co
Chartered Accountants



TRUST BANK LIMITED
Cash Flow Statements
For the year ended 31 December 2015

	Notes	31.12.2015 Taka	31.12.2014 Taka
A. Cash flow from operating activities			
Interest received in cash		13,905,322,938	12,465,071,055
Interest payments		(10,337,262,101)	(9,276,060,110)
Dividend receipts		26,692,707	44,739,603
Fees and commission receipts in cash		1,240,666,163	968,753,573
Recoveries of loans previously written off		-	-
Cash paid to employees		(1,973,914,525)	(1,361,339,777)
Cash paid to suppliers		(64,203,235)	(50,685,506)
Income Taxes paid		(1,330,989,406)	(962,951,231)
Received from other operating activities (item-wise)	36	2,518,457,594	2,122,009,045
Payments for other operating activities (item-wise)	37	(1,474,010,999)	(1,169,569,363)
Operating profit before changes in operating Assets and Liabilities		2,510,759,136	2,779,967,289
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits		-	-
Net Investment in trading securities		(893,327,750)	827,943,799
Loan & advance to other banks		-	-
Loan & advance to customers		(23,443,294,504)	(27,405,579,293)
Other assets (item-wise)	38	122,753,183	(653,646,000)
Deposits from other banks		618,591,833	214,911,449
Deposits from customers		25,425,053,964	22,056,378,801
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	39	168,800,028	112,497,418
Net cash from operating activities (A)		4,509,335,890	(2,067,526,537)
B. Cash flow from investing activities			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		(3,959,425,374)	(1,841,809,545)
Purchase of property, plant & equipment		(426,435,739)	(258,785,579)
Purchase of intangible assets		(6,546,646)	(2,673,132)
Sale of property, plant & equipment		3,110,336	3,390,102
Net cash from investing activities (B)		(4,389,297,423)	(2,099,878,154)
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:			
Call loan		1,110,000,000	-
Re-Purchase agreement (REPO)		-	-
Other borrowings		4,933,847,661	3,221,683,561
Share Capital A/c		-	-
Share Premium A/c		-	-
Dividend paid in cash		(213,103,083)	-
Net cash from financing activities (C)		5,830,744,578	3,221,683,561
D. Net increase in Cash and Cash Equivalent (A+B+C)		5,950,783,045	(945,721,130)
E. Effects of exchange rate changes on cash and cash equivalents		676,969	4,309,405
F. Opening Cash and Cash Equivalent		13,081,868,034	14,023,279,759
G. Cash and cash equivalents at end of year (D+E+F)	40	19,033,328,048	13,081,868,034



TRUST BANK LIMITED
Statement of changes in Equity
For the year ended 31 December 2015

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as on 01 January 2015	4,262,061,660	75,576,040	187,663	2,709,042,761	547,322	1,081,274,744	8,128,690,190
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	57,089,172	-	57,089,172
Currency transaction difference	-	-	42,002	-	-	-	42,002
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	1,539,330,248	1,539,330,248
Statutory reserve	-	-	-	624,649,577	-	(624,649,577)	-
Dividends (Bonus Share)	426,206,160	(75,576,040)	-	-	-	(350,630,120)	-
Dividends (Cash)	-	-	-	-	-	(213,103,083)	(213,103,083)
Issue of Share Capital	-	-	-	-	-	-	-
Balance as on 31 December 2015	4,688,267,820	-	229,665	3,333,692,338	57,636,494	1,432,222,212	9,512,048,529

Statement of changes in Equity
For the year ended 31 December 2014

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as on 01 January 2014	3,805,412,200	532,225,500	-	2,169,218,210	37,023,453	321,901,750	6,865,781,113
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	(36,476,131)	-	(36,476,131)
Currency transaction difference	-	-	187,663	-	-	-	187,663
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	1,299,197,545	1,299,197,545
Statutory reserve	-	-	-	539,824,551	-	(539,824,551)	-
Dividends (Bonus Share)	456,649,460	(456,649,460)	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
Balance as on 31 December 2014	4,262,061,660	75,576,040	187,663	2,709,042,761	547,322	1,081,274,744	8,128,690,190



TRUST BANK LIMITED
Liquidity Statement
(Asset and Liability Maturity Analysis)
As on 31 December 2015

Amount in Taka

Particulars	Up to 01 Month	1- 3 Months	3-12 Months	1- 5 Years	More than 5 Years	Total
Assets:						
Cash in Hand	2,714,773,207	-	-	-	-	2,714,773,207
Balance with Bangladesh Bank and Sonali Bank	2,067,841,807	-	-	-	9,219,996,760	11,287,838,567
Balance with other banks and financial institutions	3,746,402,674	650,000,000	630,000,000	-	-	5,026,402,674
Money at call and short notice	-	-	-	-	-	-
Investments	2,498,666,350	1,951,874,087	5,394,107,777	4,836,390,561	9,581,167,282	24,262,206,057
Loans and Advances	18,356,317,712	23,115,558,964	51,571,034,885	29,428,106,199	8,143,628,009	130,614,645,769
Fixed Assets including premises, furniture and fixtures	-	-	-	-	827,551,414	827,551,414
Other assets	1,036,410,925	412,138,404	528,934,646	141,362,365	3,377,308,661	5,496,155,001
Non-banking assets	-	-	-	-	-	-
Total Assets	30,420,412,675	26,129,571,455	58,124,077,308	34,405,859,125	31,149,652,126	180,229,572,689
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	2,200,374,466	1,734,825,365	911,866,346	7,682,491,313	400,000,000	12,929,557,490
Deposits	37,285,036,852	26,052,930,477	35,656,315,833	15,874,372,446	28,445,128,650	143,313,784,258
Other accounts	7,540,411,168	-	-	-	-	7,540,411,168
Provision and other liabilities	993,079,652	856,508,565	3,668,565,191	1,098,693,524	316,924,312	6,933,771,244
Total Liabilities	48,018,902,138	28,644,264,407	40,236,747,370	24,655,557,283	29,162,052,962	170,717,524,160
Net Liquidity Gap	(17,598,489,463)	(2,514,692,952)	17,887,329,938	9,750,301,842	1,987,599,164	9,512,048,529

Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Bank



TRUST BANK LIMITED

Notes to the Financial Statements

For the year ended 31 December 2015

1 The Bank and Its Activities

Trust Bank Limited is a scheduled commercial bank established under the Bank Company Act, 1991 and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 17 June 1999 with the primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank has One hundred one (101) branches and six (6) SME Service Centers/Krishi Branch are operating in Bangladesh as at 31 December 2015. The Bank has no overseas branches as at 31 December 2015. The bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company for its general class of shares.

The registered office of the Bank is located at Shadhinata Tower, Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.

Initially the bank has started its operation in the name of “The Trust Bank Limited” but on 12 November 2006 it was renamed as “Trust Bank Limited” by the Registrar of Joint Stock Companies. The new name of the bank was approved by Bangladesh Bank on 03 December 2006.

The Principal activities of the Bank is to provide full range of banking services that include deposit banking, loans & advances, export, import and financing national and international remittance facilities etc.

1.1 Off-shore Banking Unit

The Bank obtained Off-shore Banking Unit Permission vide letter no. BRPD(P-3)744(116)/2010-2462 dated 2 June 2010. The Bank commenced its operation from 24 October 2013 through our Dilkusha Corporate Branch, Gulshan Corporate Branch & CDA Avenue Branch. The Off-shore banking units are governed under the rules and guidelines of Bangladesh Bank. Separate financial statements of Off-shore banking are shown in Annex-G

1.1.1 Subsidiaries of the Bank

The Bank has 2 (Two) Subsidiaries details of which are given below:

1.1.2 Trust Bank Investment Limited

Trust Bank Investments Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 9 September 2010 with an initial paid up capital of Taka 3000 million upon receiving consent from SEC on 25 October 2010.

1.1.3 Trust Bank Securities Limited

Trust Bank Securities Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 7 February 2013 with an initial paid up capital of Taka 350 million having registered office is located at 28, Kafrul, Dhaka - 1206.

Trust Bank Securities Limited offers full range of Business of Stock Brokers that includes buying and selling of shares & securities, fixed income securities, Bonds Debenture etc.

1.2 Islami Banking Activities

The defining characteristic of Islamic banking is the prohibition of interest (Riba) from all transactions and dealing in businesses that are allowed (halal) in shariah. Islamic banking is governed by a set of strict rules derived from the holy book, the Qur'an & Sunnah of Prophet (pbh). In addition to compliance of shariah guidelines for conducting business, Islamic banking practices a strong documentary record keeping system eliminating all vagueness regarding business & responsibilities of the parties involved.



In the backdrop of strong public demand and support for the system along with its religious compliance issue and also its business potentials Trust Bank Ltd. started its Islamic banking operations through 'window' mechanism as per Bangladesh Bank approval. Trust Islamic Banking (TIB), the brand name of the operation, has started its operation from latter part of 2008 through 5 (five) Islamic banking windows at the TBL-Principal Br., Millennium Br., Dilkusha Br. in Dhaka, CDA Br. in Chittagong & Sylhet Corporate Branch in Sylhet. In addition to the above mentioned 5 (five) branches all TBL branches can now provide Islamic banking services through on-line banking system.

In addition to the Shariah guidelines, Trust Islamic banking operations are strictly complied with the Bangladesh Bank instructions regarding Islamic banking operations and adheres to the followings:

- Completely Separate Fund Management – no mingling of fund with the conventional banking deposits of the Bank.
- Separate book-keeping, Profit & Loss Account by Islamic banking module of Bank's CBS.
- TIB has a distinguished Shariah Supervisory Committee (SSC) for supervision of Shariah related issues
- Investments are made from the Islamic banking deposits only.
- Profit sharing ratio (Depositor: Bank) is 70:30.
- Profit distributions are executed as per approved weightage table.

A dedicated team of resources with skill & commitment in Islamic finance & banking at Head Office closely monitors and supervises the entire operations of TIB to ensure compliance, development and growth of Islamic Banking business. TIB offers the full range deposit & investment products & services for corporate, retail & SME sectors.

A separate Balance sheet Profits & Loss account and statement of Cash-Flows are shown in the Annexure D,E & F. The figures appearing the Annexure have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

1.3 Retail Banking Activities

2015 has been a successful year of accomplishments for Retail Banking Division (RBD). RBD has developed new products both in deposit and asset, enhanced and revised existing products in accordance with demand of market, launched 02 successful campaigns, won recognition from Banking Industry and earned significant revenue in terms of portfolio growth.

Major Retail Activities: Asset

In the year 2015, Retail Banking Division has focused on strengthening the asset base to increase its portfolio. As on 31.12.2015, total retail asset portfolio stands at BDT 13,922 million (Taka Thirteen thousand nine hundred twenty-two million) only which is 9.26% growth from 2014. A remarkable cumulative growth of 17.18% with outstanding amount of BDT 7,624 million (Taka Seven thousand six hundred twenty four million) only was achieved for unsecured loan products. While, the Secured Loan with outstanding amount of BDT 6,298 million (Taka Six thousand two hundred ninety eight million) only has also experienced a positive growth. A successful Asset Campaign "Beat the Heat" was launched during the year which brought fresh disbursement of more than BDT 566 million (Taka Five hundred sixty six million) only from retail loans within 05 (Five) months.

Liability/Deposit:

2015 was a significant year for Retail Liability/deposit Products. 5(Five) new deposit products were launched each targeting different segments of the economy. Trust Bank Ltd has signed MoU with Rapid Action Battalion (RAB) to provide personnel salary account with other financial services. In addition, the liability campaign "Boishakhi Utshob" was launched in 2015, which brought a net growth of BDT 14,168 million (Taka Fourteen thousand one hundred sixty eight million) only in just 3 months time with a total of 29,431 (Twenty nine thousand four hundred thirty one) numbers of new accounts being opened, a staggering 12.13% growth in liability portfolio in 3 months' time.

**Financial Literacy:**

Throughout the year 2015, massive School Banking Activities were undertaken by RBD, which gained widespread recognition for their endeavors to promote school banking.

School Banking Activities:

1. School Banking Conference: As a part of School Banking Campaign, throughout 2015, RBD has actively participated in School Banking Conference organized by Bangladesh Bank around the country. In three different conferences held in Barisal, Bogra and Mymensingh respectively, they have effectively showcased school banking products and taken part in seminars. TBL has also achieved the Runner Up award for Best Stall in the Conference held in Mymensingh.

2. School Banking Campaign in Kanchpur: This campaign was organized locally through Kanchpur Branch, in the premises of the local school- Singha Public School. The School Banking products were introduced to local students and received tremendous response.

Banking Fair 2015:

The first ever 05 (Five) days long Banking Fair was held in 2015 organized by Bangladesh Bank, where all Banks and Financial Institutions took part enthusiastically. Retail Banking took this opportunity to get closer to its customer and showcase their products. Particularly, the third day of the fair was dedicated to School Banking, where RBD took part through Keraniganj Branch. The minor clients of the branch, students of Zinzira P.M. Pilot Higher Secondary School & College took part in the seminar and spoke about their banking experience with TBL in front of top management of Bangladesh Bank and other respected audience.

Trust Youniverse & Loyalty:

In 2015, Retail Banking Division has signed MoU with several organizations, as a promotional offer with discounts & special benefits for the TBL clients under Trust Youniverse Program. The Loyalty team has succeeded in signing favorable MoU with a total of 33 (Thirty three) new organizations of different genres, including: 7 (Seven) Health Care, 10 (Ten) Life Style, 9 (Nine) Dining and 7 (Seven) Leisure & Fun organizations. Up till 2014, there were only 16 (Sixteen) MoU agreements with different organizations, which now remarkably stand at 49 (Forty nine). This special facility is available under Trust Youniverse program for all TBL card holders.

Product Development:

In the year 2015 retail banking division has developed a number of new products both in asset and deposit segment. Revision & review of Product Program Guideline (PPG) of Loan Against Salary, Car Loan Scheme, Apon Nibash Loan (House Finance), House Building Loan against Registered Mortgage for Defence Officers, Trust Digital Loan has been made. New asset product name 'Trust Futuretech' for purchasing of laptop for freelancers, developed under "Earning & Learning Program" of Ministry of Post, Telecommunication & Technology. Trust Digital Loan under "Amar Desh Amar Gram" project of Future Solution for Bangladesh was also a remarkable prospect of Retail Banking Division. These products are also aligned with the government policy of 'Digital Bangladesh' as well as bank's contribution to build 'Human Capital' of the country. Introduced 2(Two) new liability products 'Trust Shohopathi' & "Trust Pothokoli". Modified 'Trust Payroll Banking', 'Trust Sristi' and 'School Banking' wallet to capture the appropriate segment.

Product Development: In 2015, the Product Development Team has successfully developed PPG for 05 (Five) new deposit products: (1) Account For Farmers (2) Savings Account for Workers of Small Footwear & Leather Products Industries (3) Savings Account for Workers of Ready-Made Garments (4) Savings Account for Cleaning Staffs of Dhaka City Corporation and (5) Rapid Action Battalion (RAB) Forces Personnel Salary Account (RFP SA). In addition, 01 (One) asset product, "Loan for ECOMC OKP-9 Personnel" was also designed and launched. Each of these products are designed to reach their niche, reflecting TBL's commitment towards inclusive banking.



1.4 SME Financing

Cottage, Micro, Small and Medium Enterprises (CMSMEs) has an important role to play that is indispensable for overall economic development of a country particularly for developing countries like Bangladesh. It is capable of increasing national income as well as rapid employment generation; achieving eradication of extreme poverty and hunger, gender equality and women empowerment since this sector is labor intensive with short gestation period. Considering all positive indicators, SME is recognized as an engine of economic growth.

In line with Central Bank's initiatives, TBL formulated its SME banking policies in the year 2009 targeting the 'missing middle' (CMSMEs) to bring them into the formal financial folder through its 101 branches networks including 06 SME/Krishi Branch/Service Centers. TBL is now among the top ten most SME favored bank list. Trust Bank is moving forward to SME customer segment with market approach to meet the credit need & considering the business potentials and return on investment. Our SME exposure is well diversified covering the sectors like Power loom, Handloom, Light engineering, Handicrafts, Nakshi kantha, garments accessories, Bio-Gas, Bio-fertilizer, Irrigation by Bio-gas, Fisheries, Poultry and other agri-business under different SME products.

Trust Bank has launched 13 nos. different products based on BB Policy with cluster/area approach and marketing these products through matching with the customer need with a market competitive low interest rate. Trust Akota is designed targeting the people involved in handloom sector located in Enayetpur, Sirajgonj, while Trust Bunoon is instrumental in financing on Spinning and handloom sector at Narsingdhi, Sirajgonj and Narayangonj. Trust-Nondini is a special product for the women entrepreneurs throughout the country and Trust Sukanya is a product designed for facilitating the most backward and marginalized women based in three hill districts and the people involved with Nakshi kantha works in Jessore. As a SME favored bank, Trust Bank has equally increased its focus on the farmers, small, and marginal people and designed a special product named Trust-Prantik. It is the first bank which has extended credit facility among 325 individuals of Tk.10/-account holders in Dhamrai under Dhaka District.

This extension of SME Financing has increasingly created the employment opportunity directly or indirectly throughout the country and expanding small enterprises. Trust Bank, SME Division is working with an aim to expand the SME portfolio up to 25% of its total loans and advances within next 05 years.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

2.1 Statement of Compliance

The consolidated financial statements of the group (comprising the Bank and its subsidiaries) financial statements of Trust Bank Limited as at and for the year ended 31 December 2015 have been prepared under the historical cost convention, except for Government Securities which are stated at fair value and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the First Schedule (Section 38) of the Bank Companies Act 1991, as amended by the BRPD Circular 14 dated 25 June 2003, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987, Stock Exchanges' listing regulations and other rules and regulations are applicable in Bangladesh. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

i) Investment in shares and securities

BFRS: As per requirements of BAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.



Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision has been made for any loss arising from diminution in value of investment; otherwise investments are recognised at cost.

ii) **Revaluation gains/losses on Government securities**

BFRS: As per requirement of BAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

Bangladesh Bank: According to DOS Circular 05 dated 26 May 2008 and subsequently clarification in DOS Circular 05 dated 28 January 2009, HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) **Provision on loans and advances/investments**

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012) and BRPD circular No. 05 (29 May 2013) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

iv) **Recognition of interest in suspense**

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

v) **Other comprehensive income**

BFRS: As per BAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.



vi) **REPO and Reverse Repo transactions**

BFRS: When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is treated as a loan and the underlying asset continues to be recognized in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. Same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per DOS Circular letter no. 6 dated 15 July 2010 and subsequent clarification in DOS circular no.2 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

vii) **Financial instruments – presentation and disclosure**

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

viii) **Financial guarantees**

BFRS: As per BAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

ix) **Cash and cash equivalent**

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

x) **Non-banking asset**

BFRS: No indication of Non-banking asset is found in any BFRS.

Bangladesh Bank: As per BRPD 14, there must exist a face item named Non-banking asset.

xi) **Cash flow statement**

BFRS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14, cash flow is the mixture of direct and indirect methods.

xii) **Balance with Bangladesh Bank: (Cash Reserve Requirement)**

BFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per BAS 7.



Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiii) Presentation of intangible asset

BFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per BAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

xiv) Off-balance sheet items

BFRS: There is no concept of off-balance sheet items in any BFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xv) Loans and advances/Investments net of provision

BFRS: Loans and advances/Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on loans and advances/investments are presented separately as liability and can not be netted off against loans and advances.

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Trust Bank Limited and its subsidiary i.e. Trust Bank Investment Limited and Trust Bank Securities Limited made up to the end of the financial year. The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standard 27: Consolidated and Separate Financial Statements.

2.3 Subsidiary

Subsidiary is that enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. Subsidiary companies are consolidated using the purchase method of accounting.

2.4 Use of estimates and judgments

The preparation of consolidated financial statements of the Bank requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.5 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entities.

2.6 Transactions eliminated on consolidation

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and loss resulting from transactions between Group are also eliminated on consolidation.



2.7 Foreign currency transaction

a) Foreign currency

Items included in the financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The financial statements of the group and the Bank are presented in BDT which is the Bank's functional and presentation currency.

b) Foreign currencies translation

Foreign currency transactions are converted into equivalent BDT using the prevailing exchange rates on the dates of respective transactions as per BAS-21, "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into equivalent BDT.

Assets and liabilities & income and expenses of Off-shore Banking Units have been converted into BDT currency @ US\$1 = Taka 78.5003 (closing rate as at 31st December 2015) and Tk.77.9506 (average rate at year-end).

c) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at rates mentioned in contracts. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in BDT terms at the rates of exchange prevailing on the balance sheet date.

d) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation of net investment in foreign subsidiary.

e) Foreign operations

The results and financial position of the Group's operations whose functional currency is not Bangladeshi Taka are translated into Bangladeshi Taka as follows:

- i) Assets and liabilities are translated at the exchange rate prevailing at the balance sheet date.
- ii) Income and expenses in the income statement are translated at an average rate approximating the exchange rates at the year end;
- iii) Resulting exchange differences are recognized as a separate component of equity.
- iv) As per BAS 21, 'Foreign Currency Transactions' i.e. foreign currency denominated both monetary and non-monetary items of the OBUs are translated at historical rate because the OBUs are considered as an integral part of the Bank's operation not a foreign operation due to specific regulations governing the OBU and its unique nature.

f) Consolidation of Financial Statements of foreign operations

In Consolidation, foreign exchange differences arising from the translation of net investments in foreign entities, as well as any borrowings are taken into capital reserve. When a foreign operation is disposed of, such currency translation differences are recognized in the income statement as part of the gain or loss on disposal.

2.8 Reporting Period

These financial statements of the Bank and its subsidiaries cover one calendar year from 1 January to 31 December 2015.



2.9 Events after the reporting period

Where necessary, all the material events after the reporting period have been considered and appropriate adjustment / disclosures have been made in the financial statements.

2.10 Statements of Cash Flows

Statements of Cash flow has been prepared in accordance with Bangladesh Accounting Standard (BAS) 7 “Statement of Cash Flows” and under the guideline of Bangladesh Bank BRPD Circular no.14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

2.11 Statements of Changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with Bangladesh Accounting Standard (BAS) 1 “Presentation of Financial Statements” and relevant guidelines of Bangladesh Bank.

2.12 Statement of liquidity

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases:

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.
- c) Loans and advances and lease receivables are on the basis of their repayment / maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.
- f) Borrowing from other banks, financial institutions and agents as per their maturity /repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Other long term liabilities on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

2.13 Taxation

The expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity.

2.13.1 Current Tax

In compliance with BAS-12 “Income Taxes”, provision for current income tax has been made @ 40% on business income, @ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance 1984 and time to time amendment to issue different S.R.O and circular issued by the N.B.R.

2.13.2 Deferred taxation

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognised in the profit and loss account as per BAS-12 “Income Taxes”.



2.14 Provision and accrued expenses

In compliance with BAS-37, provisions and accrued expenses are recognised in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.14.1 Provision for good borrowers

BRPD Circular Letter No. 03 dated 16 February 2016 was issued by the Bangladesh Bank which instructed Banks to provide 10% rebate on the interest collected from good borrowers as defined in BRPD Circular No. 06 dated 19 March 2015, subject to some qualifying criteria. The aforementioned circular goes on to clarify that such rebate may be availed to the good borrowers during the year 2016 provided that adequate provision is maintained by the Bank in the financial statements for the year ended 31 December 2015. The Bank had kept a lump sum provision during the year ended 31 December 2015 against this which will be settled during the year 2016.

2.15 Provision for off-balance sheet exposures

In compliance with Bangladesh Bank guidelines, off-balance sheet items have been disclosed under contingent liabilities. As per BRPD Circular no.10, dated 18 September 2007, the bank is required to maintain provision @ 1% against off-balance sheet exposures

2.16 Provision for nostro accounts

The Bank does not required to maintain provision for nostro accounts for the year 2015 in accordance with the guideline of Foreign Exchange Policy Department of Bangladesh Bank, FEPD Circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005.

2.17 Assets and basis of their valuation

2.17.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

2.17.2 Loans and advances / Investments

To ensure sustainable growth & gradual development, the bank being compliant continued its credit operation in 2015. In spite of vulnerable situation in the financial sector in 2015, loans & advances of the bank grew positively & stood at BDT 130,614.65 million as on 31 December 2015 as against BDT 103,767.59 million showing a growth of 22.20% over the year 2014. TBL is regarded one of the leading banks in the country proving its ability & capacity in connection with Compliance & Risk Management. TBL has extended its credit facility to almost every sector & could build up an excellent image maintaining a sound portfolio with risk mitigation.

2.17.3 Loan Classification and Provisioning

TBL always maintains its loan portfolio with proper classification provisioning complying rules & regulations set by Bangladesh Bank. Required provision is kept to minimize future risk. Bank classifies loan on the basis of objective criteria & qualitative judgment. Special care & initiatives are taken to keep the loans standard & strong drives are given to reduce the percentage of Nonperforming Loans by way of cash recovery & regularization through rescheduling. At the end of 2015, classified loans of the Bank has stood at BDT 3,588.48 million and accordingly BDT 3,657.70 million has been kept as provision against classified, unclassified loans, off balance sheet & offshore banking business which is excess by BDT 68.76 million in respect of required provision complying the following rate:



General provision on	Provision Rate
a. Consumer Financing (House Financing)	2%
b. Consumer Financing (Loans to Professional)	2%
c. Consumer Financing (Other than a & b)	5%
d. Small and Medium Enterprise Financing (SMEF)	0.25%
e. Short Term Agriculture & Micro Credit	2.5%
f. Loans to BHs/ MBs/ Sds against Shares etc.	2%
g. All other Credit	1%
h. Special Mention Account	0.25% to 5%

Specific provision on

a. Substandard Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	20%
b. Doubtful Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	50%
c. Bad/Loss Loans and Advances	100%

2.17.4 Provision for off balance sheet exposures

General provision for off balance sheet exposures has been made @ 1% on period end balance of total off balance sheet exposures as per BRPD circular No. 8 and 10 dated August 07, 2007 and September 18, 2007 respectively issued by Bangladesh Bank.

2.18 Investments

Investments have been initially recognised at cost, including acquisition charges associated with the investment. Premiums have been amortised and discount accredited, using the effective or historical yield method. Government treasury Bills and Bonds (categorized as HFT or/and HTM) are accounted for as per Bangladesh Bank DOS circular letter no.05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009.

The valuation methods of investment used are:

2.18.1 Held to maturity

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity. The securities in HTM are to be held up till maturity. These securities in HTM must be amortized at the end of the year before maturity and the increase/decrease is to be accounted in the 'statement of changes in equity' (as Revaluation Reserve-HTM). According to Bangladesh Bank DOS Circular Letter No. 01 dated January 19, 2014 a bank can only hold securities of maximum 110% of the total SLR requirement (usually kept as approved government securities) as HTM category the compliance of which came into effect from February 01, 2014. These investment securities can be transferred to and/or re-categorized as HFT any time after getting approval from the Board of Directors of the Bank.

As on December 31, 2015 the amount of our investment in Government Treasury Bills in HTM Category is zero and the amount of our investment in Government Treasury Bonds in HTM is Tk. 13,959.09 million. However, we also had investment in Bangladesh Bank Bill in HTM Category amounting to Tk. 947.94 million as on December 31, 2015.



2.18.2 Held for trading

Investments classified in this category are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week and any change in the fair value is recognized in the statement of capital (as Revaluation Reserve-HFT) for the period before next appreciation. According to Bangladesh Bank DOS Circular Letter No. 05 dated May 26, 2008, no dividend will be allowed to pay to its shareholders on the amount of increase and/or decrease in income generated out of revaluation of securities held for trading. The value of the bank's investment in Government Treasury Bills in HFT category at the end of the year 2015 is Tk. 6,691.46 million.

Value of investments has been enumerated as follows :

Investment Class	Initial recognition	Subsequent Measurement	Recording of changes
Treasury Bill/ Bond(HFT)	At Present Value	Market Value	Loss to Profit & Loss Account, gain to revaluation reserve
Treasury Bill/ Bond(HTM)	At Present Value	Amortized Value	Increase in value to equity and decrease in value to Profit & Loss Account
Debenture	At cost	None	None
Prize bond	At cost	None	None
Shares	At cost	Cost	Any loss, charged in Profit & Loss, Unrealized gain, not recorded in accounts.

Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future, or held for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements where market price is below the cost price of investments as per Bangladesh Bank guideline (note-6.4.1).

Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

Investments in subsidiary

Investment in subsidiaries is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the BFRS-10. Accordingly, investments in subsidiaries are stated in the Bank's balance sheet at cost, less impairment losses (if any).

2.19 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment".

Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets other than motor vehicles and office equipment, which are depreciated on straight-line method and no depreciation on land is charged.

Category of fixed assets	Rate
Land	Nil
Building	2.5% p.a.
Furniture & Fixtures	10% p.a.
Office Equipment	20% p.a.
Motor Vehicles	20% p.a.
Office Decoration	12% p.a.



Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their use and in case of sale upto the earlier of the date that asset is classified as held for sale in accordance with BFRS 5 and the date that the asset is derecognised.

Repairs and maintenance costs of fixed assets are charged to profit & loss account, when incurred.

2.20 Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with BAS 38: “Intangible Assets”.

Subsequent expenditure on intangible asset is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

The software used by TBL represents the value of computer application software licensed for the use of the bank. Software is carried at cost less accumulated amortisation and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are carried in customising the software for its intended use. Software is amortised using the straight line method over the estimated useful life of 5 (five) years commencing from the month at which the application software is made available for use.

2.21 Impairment of Assets:

The policy for all assets or cash-generating units for the purpose of assessing such assets for impairment is as follows:

The Bank assesses at the end of each reporting period or more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired, whether there is any indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the bank makes an estimate of the asset's recoverable amount. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered as impaired and is written down to its recoverable amount by debiting to profit & loss account.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may be impaired.

2.22 Other assets

Other assets include all balance sheet accounts not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the Bank.

2.23 Non-Banking Assets

As on balance sheet date TBL has not arisen any Non-Banking Assets failure from borrower to repay the loan/Investments.

2.24 Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Advance tax paid and provision for tax of the bank is presented on net basis as a liability item if the liability is higher than asset and as an asset item if the asset is higher than liability.



2.25 Receivables

Receivables are recognised when there is a contractual right to receive cash or another financial asset from another entity.

2.26 Inventories

Inventories measured at the lower of cost and net realizable value.

2.27 Leasing

Leases are classified as finance leases whenever the 'terms of the lease' transfer substantially all the risks and rewards of ownership to the lessee as per BAS-17 "Leases". All other leases are classified as operating leases as per BAS-17 "Leases".

2.28 Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.28.1 Authorised Capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association. Details are shown in note 13.1.

2.28.2 Paid up Capital

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders are ranked after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in note 13.2.

2.29 Statutory reserve

As per Bank Companies Act, the Bank requires to transfer 20% of its current year's profit before tax to statutory reserve until such reserve equals to its paid up capital. The Bank does comply with this requirement of law every year.

2.30 Liabilities and Provisions

Retirement benefits to the employees

i) Provident fund

Provident fund benefits are given to the confirmed staffs of the Bank in accordance with the locally registered Provident Fund Rules. The Commissioner of Income Tax, Taxes Zone - 6, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of sub-section 1 of section 2 read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984 w.e.f. 27 February 2003. The Fund is operated by a Board of Trustees consisting seven members from the employees of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount. Interest earned from the investments is credited to the members' account on yearly basis.

ii) Gratuity fund

The Bank has started making provision for liabilities of its employees' gratuity as per gratuity scheme of the Bank from the year 2004. Subsequently National Board of Revenue has approved the fund as recognized within the meaning of sections 2 and 3 read with the provision of part - C of the First Schedule of Income Tax Ordinance 1984 w.e.f. 20 November 2006. The Bank contributes to the Fund as per Gratuity Fund Rules as well as Service Rule of the bank.



iii) **Workers' profit participation fund (WPPF)**

As per Bangladesh Labour Act 2006 and SRO no. 336/Law/2010, all companies fall within the scope of WPPF are required to provide 5% of its profit before charging such expense to their eligible employees within the stipulated time. The Bank obtained opinion from its legal advisor regarding this issue. The legal advisor opined that, "Trust Bank Limited being governed by Banking Companies Act, 1991 is obliged to follow the provisions of Banking Companies Act, 1991, and Banking Companies Act, 1991 being a special law, provisions of this Act shall prevail over Bangladesh Labour Laws, 2006 (amended in 2013) which is a general law. Thus, we take the view that the Bank is not bound to form a WPPF under Bangladesh Labour Laws, 2006 (amended in 2013)". Consistent with the industry practice and in accordance with The legal opinion and the Bank Company Act, 1991 (amended in 2013), no provision has been made for WPPF.

iv) **Super annuation fund**

The Bank has also introduced a "Superannuation Fund" instead of group life insurance policy for the employees. Those employees, who will be able to fulfill the specific criteria mentioned in the policy of the fund, will be entitled to get the benefit of "Superannuation Fund". National Board of Revenue has approved the fund as recognized within the meaning of section 3 read with the provision of part - A of the First Schedule of Income Tax Ordinance 1984 w.e.f. 22 December 2004.

2.30.2 **Minority interest in subsidiaries**

Minority interest in business is an accounting concept that refers to the portion of a subsidiary corporation's stock that is not owned by the parent corporation. The magnitude of the minority interest in the subsidiary company is always less than 50% of outstanding shares, else the corporation would cease to be a subsidiary of the parent. Minority interest belongs to other investors and is reported on the consolidated balance sheet of the owning company to reflect the claim on assets belonging to other, non-controlling shareholders. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

2.31 **Revenue recognition**

i) **Interest income/Profit on TIB Investment**

In terms of the provisions of the BAS-18 "Revenue", the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. It is then kept in interest suspense in a memorandum account. Interest on classified advances is accounted for on a cash receipt basis.

ii) **Investment income/TIB Investment Income**

Income on investments is recognized on accrual basis except from Government Securities which are recognized on the basis of BRPD Circular 15 Dated 31 October 2005 issued by Bangladesh Bank.

iii) **Fees and commission income**

Fees and commission income arises on services provided by the Bank are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

iv) **Dividend income**

Dividend income from investments is recognised at the time when it is declared, ascertained and right to receive the payment is established.

v) **Interest paid on borrowings and deposits**

Interest paid on borrowings and deposits are calculated on 360 days in a year and recognised on accrual basis



vi) Dividend payments

Interim dividend is recognised when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders.

The proposed dividend for the year 2015 has not been recognized as a liability in the balance sheet in accordance with the BAS-10 : Events After the Reporting Period.

Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

vii) Management and other expenses

Expenses incurred by the Bank are recognised on actual and accrual basis.

2.32 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly. Un-reconciled entries / balances in case of inter-branch transactions as on the reporting date are not material.

2.33 Risk Management

Risk management policy or process of Trust Bank encompasses risk appreciation basing on the risk appetite for the particular sector/segment of the customers and subsequent risk identification, measurement and controlling of risk components to safeguard the interest of the bank and to keep the business portfolio performing to the maximum extent.

We always prioritize to ensure risk–return tradeoff on all business transactions. The focus group as constituted by Bangladesh Bank has selected 06 core risks namely (a) Credit Risk (b) Asset liability/Balance sheet Risk (c) Foreign Exchange Risk (d) Internal control and compliance Risk (e) Money laundering Risk and (f) IT risk management in order to impart internationally accepted best practices in the Banking and Financial system. Banks as a financial intermediary (ies) are exposed to multidimensional risks but those risks are to be examined and quantified for acceptance in line with the risk appetite and credit policy of our bank.

2.33.1 Credit risk management

The bank believes that risk management is the core area of concern that makes its business sustainable. Ability to produce profit consistently and sustainably is a function of risk management and the bank is breaklessly pursuing nonstop development in this vicinity. One of the key risks the bank is uncovered, arises from credit facility allowed to customers. In this regard, objective of risk management is to maximize risk-adjusted returns durable within own risk appetite. TBL Risk management approach is based on a transparent understanding of various risk, regimented assessment, measurement and uninterrupted monitoring of such risks. The policies and procedures designed for the purpose are regularly reviewed to assume regulatory changes and improvements. Bank's Board of Directors is first and foremost responsible for deciding risk appetites, approving related strategies and policies and administering its compliance and the competence of the risk management framework through reports from Internal Control and Compliance Division. Credit risk policy covers large to small enterprise exposure as well as retail exposure. Policies and procedures together have structured and standardized credit risk management practice both in obligor and portfolio point.

Frame-Work

In today's rapid changing economic and financial environment, effective risk management is a must for sustainable growth and for maximizing share-holders wealth. Banking business is in fact a business of risk taking and risk managing. So, it is very vital to manage all possible risks efficiently in effective way to emerge as winner out of risk ventures. TBL has always prioritized adopting different credit risk management tools & techniques as "prevention is better than cure" for all type of credits in all the stages i. e. from receiving application to approval level for more safe and sound credit portfolio.



Credit risk originates from the –

- *Market Risk
- *Supplier's Risk
- *Financial Risk
- *Business Risk
- *Management Risk
- *Structural Risk
- *Security Risk
- *Infrastructural Risk
- *Information/Data Risk
- *Technological Risk
- *Interest Rate Risk
- *Security Risk etc.

Bank considers all relevant information and financials of the customers, their business performances, sectoral conditions, arrangement & strength of supply chain, succession status etc. for assessment and analyses all factors and results of it in order to adopting appropriate risk mitigation if the client's proposal is viable for financing.

2.33.2 Asset liability risk management

Asset Liability Management (ALM) especially focuses on "Risk Management". It covers the widest range of the banking activities in day-to-day operation. Introduction of ALM in a bank simply ensures the existence of healthy and prudent asset liability management system in the institute. In the complex banking era, there are so many risk factors any one which is good enough to a negative growth. Therefore, identification of factors and effective control over them are important and essential. Under the ALM system, it is ensured that then senior management would be attentive to balance sheet items for the great interest of the bank. As per Bangladesh Bank guideline, TBL (Trust Bank Limited) has formed a committee of Assets and Liability Management called ALCO (Assets Liability Management Committee).

ALM has been designed under main 4 (four) broader heads including (i) Understanding of Asset Liability Management (ALM), (ii) Strategic for ALM, (iii) Operational policy of ALM and (iv) Review, Monitoring & Control.

Understanding part has described the ALM from different angle along with the major risk forces prevailing in the financial market. Strategic policy guideline that the TBL has set on some particular issues such as AD Ratio (Advance Deposit Ratio), MCO (Maximum Cumulative Outflow), determination of interest rate on deposits, determination of Interest rate on Inter Bank General Account (TBL Gen A/C), Wholesale Deposit Guideline (WDG), Commitments, Placement Limit with other Banks, Liquidity Contingency Plan, Regulatory Compliance etc. Moreover a good number of specific reporting formats have been embodied covering almost every corner of information sector that will help the management to take their decision. Operational part explains the structure of ALCO along with meeting, Agendas, ALCO papers etc. need to be followed on regular basis by the Bank. Finally, last part includes overall monitoring and control measure purview of the stated policy guidelines of the Asset Liability Management of the Trust Bank Limited.

2.33.3 Foreign exchange risk management

Foreign exchange risk is the potential changes in earnings arising due to exchange rate fluctuation, adverse exchange position or changes in the market price. Such risk may arise from position held in various foreign exchange products like spot, forward and options. Foreign exchange risk management is fundamental for safe and sound management of all institution having exposure to foreign currencies.



Today's Financial institutions engage in activities starting from Import, Export and Remittance to complex derivatives involving basic Foreign Exchange and Money Market to complex structured products. All these require high degree of expertise that is difficult to achieve in the transaction originating department and as such the expertise is housed in a separate department i.e. treasury.

Foreign Exchange risk management is one of the important responsibilities of the treasury division. The foreign exchange risk are measured and monitored by the treasury division of the bank. The function of the treasury Front Office, Mid Office and Back office are segregated. Mid office and back office are conducting operations in a separate location apart from Treasury Front Office. Treasury Front Office manages and controls day-to-day trading activities and ensure continues monitoring of the level of assume risk. Treasury Mid Office verifies deal and monitors limit. Back office is responsible for deal confirmation, settlement of transaction, transferring fund to NOSTRO accounts, timely recording and reporting of information on exchange transactions and currency transfer etc. Reporting lines of these three office are separate and independent to ensure minimizing FEX risk.

As per directive of central bank, the bank has formulated a well defined Treasury Manual with a view to minimize the foreign exchange risk. Bank also developed different strategies to control foreign exchange risk in the light of net open position set by central bank, overall gross limit forward transaction, maximum loss limits per deal per day, counter party limit etc. Market scenario of risk monitored and measured by Treasury division to manage the foreign exchange operations in such a way that earnings not hampered against any adverse movement of market price.

2.33.4 Internal control and compliance risk management

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it, risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the internal control processes are in place. As per instruction of Bangladesh bank the Audit Committee of the Board has been constituted to assist the board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2015, 06 meetings of the Audit Committee were held. The bank has introduced 'Risk Based Internal Audit (RBIA)' to assess the business risk as well as control risk associated with the branches, and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory, and which may pose a potential threat for the bank.

Each year the IC&C Division sets out an audit plan (internal) for the year which is approved by the Managing Director and placed before the Audit Committee of the Board for concurrence. In 2015 IC&C Division conducted comprehensive audit in 97 branches and 19 divisions /departments at Head Office of the Bank. In the same year the internal audit team of IC&C division carried out 50 Spot Inspections and 34 IT Audits in different branches. In addition, audit was also conducted in 06 TBIL branches & Trust Bank Investment Ltd, Head Office and 1088 nos. pay points for Mobile Banking operations in the year 2015.

With the regular spot inspection on different areas of banking operations, bank has also carried out 38 nos. 'Spot Inspection on 'Anti Fraud Internal Control' (AFIC) to develop Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in Bank.



IC&C Division, Head Office monitor, supervise and ensure the total process of data uploading in the Web portal of Bangladesh Bank under Integrated Supervision System (ISS) introduced by Bangladesh Bank in the year 2015. The Bank regularly reports data/information of both the Head Office and AD Branches through ISS form in the web-portal of Bangladesh Bank. A draft Operational Guideline/Manual on ISS Reporting has developed / formulated to ensure authentic reporting of MIS data of the Bank, generating error-free correct ISS datum and reporting all related datum, timely in Bangladesh Bank ISS Web Portal. In 2015 ISS Department, Head Office has been arranged 11 nos. training on ISS reporting where 52 Executives under 'Ka - Focus Group' and 542 Officers under 'Kha - Focus Group' were given training.

IC&C Division looks after the activities of Complaint Cell of Head Office and handles the complaints of the customers received directly from FICSD (Financial Integrity & Customer Services Department), Bangladesh Bank and other sources. A 'Guidelines for Customer Services & Complaint Management' of Trust Bank Limited has been developed in the year 2015, which was approved by the Board of Directors of the Bank in its 240th (09/2015) meeting held on 22.07.2015. IC&C Division also provides operational and managerial guidance uniformly to all personnel of TBL family to handle and manage the customer's complaints satisfactorily, quickly, effectively and efficiently. In the year 2015, 70 nos. complaints were received from different sources (like Bangladesh Bank, Individual Customers etc.) and all complaints were settled / resolved.

In order to make the policy manual time befitting, the existing 'Internal Control & Compliance Policy Manual' has been revised in the year 2015, which was approved by the Board of Directors of the Bank in its 234th (03/2015) meeting held on 30.03.2015.

IC&C Division of the bank ensures its Internal Control Process through review of Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL) and Quarterly Operations Report (QOR) of the branches and other mechanisms.

At the end of the year a summary report on audit findings and corrective action taken, is placed in a meeting of the Audit Committee of the Board for information and necessary advice/suggestions. To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 23 August, 2015 to review the compliance / implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

2.33.5 Money Laundering & Terrorist Financing Risk Management

Money Laundering and Terrorist Financing become a major issue of the globe. Worldwide governments are spending a considerable amount of their budgetary expenditure to protect the economy from the financial criminals; to keep the economy & society safe. Banks have become a major target of money laundering operations and financial crimes because they provide a variety of financial services and instruments that can be used to conceal the actual source of money. Money Laundering hamper the reputation of the financial institution and increase the operational risk of the bank. Thus, without even involvement in any criminal offence, money laundering may be a cause of failure of banking sector of an economy.

Bangladesh has enacted the Money Laundering Prevention (Amendment) Act, 2015 & Anti-Terrorism (Amendment) Act, 2013 which covers all the international standards & requirements and assigned Bangladesh Financial Intelligence Unit (BFIU) to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country sound and compliant as international standards. Trust Bank Limited as a compliant & responsible institution committed to the highest standards of AML & CFT compliance. TBL follow the AML & CFT Risk Management guidelines to mitigate the risk and develop its product & services maintaining the regulatory rules and compliance. Trust Bank Limited considers AML & CFT compliance as a part of its social responsibility & commitment.

In compliance of BFIU guidelines, TBL AML & CFT policy guidelines ensures full compliance of all issues including the following:



1. Mandatory maintenance of KYC (Know Your Customer) Forms for all types of accounts
2. Maintenance & monitoring the TP (Transaction Profile) of all the accounts. Monitoring of unusual / suspicious transaction and report to Bangladesh Bank, if required.
3. Submission of Cash Transaction Report (CTR) to BFIU through goAML & FIU on every month.
4. Adequate training are providing to the officials of TBL on AML & CFT.
5. Identification of customer on the basis of risk grading.
6. Identification of Politically Exposed Persons (PEPs) & Local Influential Person (LIPs) customer.
7. Transaction monitoring of High Risk and LIPs account
8. Declared Customer Acceptance Policy.
9. Automated Sanction Screening of UN sanction list.

For mitigating the risks the bank has a Central Compliance Unit (CCU) comprising of CAMLCO, Deputy CAMLCO and other officials at Head Office. A designated Branch Anti-Money Laundering Compliance Officer (BAMLCO) in every branch is assigned to review the AML & CFT activities and measures.

2.33.6 IT risk management

The advancement of information and communicative technology (ICT) is given credit for the evolution of banking services, in particular, online banking. Information Technology (IT) Risk is a growing component of total operational Risk. As business increasingly depend on IT to automate processes and store information, IT Risk Management is emerging as a separate practice. IT includes security, availability, performance and compliance elements. IT Risk Management helps to reduce service costs and achieve greater compliance by effectively assessing classifying IT risk.

IT Risk management requires a disciplined approach that includes IT Risk awareness, quantification of business impacts, solution design and implementation across people, process, and technology, and creation of a sustained IT Risk Management program complete with performance measurement and a model for continuous improvement.

Compliance definitions

a) Data Protection

- Privacy & data security
- Growth of unstructured data
- Business continuity and disaster recovery

b) Data Retention

- New model of data storage, software as service & disaster recovery
- Access by legitimate user

c) Strategic Governance Risk

- Alignment of IT risk control framework with business strategy
- Public disclosures accurately reflect corporate performance

d) National Security

- Assuring IT system & network support legal infrastructure through electronic signatures, data movements and IT resources

e) Civil & Criminal legal Framework

- Protecting individual & corporate intellectual properly
- Availability keeping existing process running & recovering from interruption
- Access ensuring that people have right access
- Providing accurate, timely and complete information
- Implementing new strategic initiatives

f) Regulatory Compliance

- Protecting citizens and from terrorism or national disaster



Since the automation of the Bank and centralization of information system, all the branches of the bank are connected to the Head Office IT department in Dhaka through a dedicated link and Disaster Recover site at Jessore. The infrastructure design is up to standard and completely secure.

2.33.7 Liquidity risk management

The risk that bank or business will be unable to meet its commitment as they fall due leading to bankruptcy or rise in funding cost. It is the solvency of business and which has special reference to the degree of readiness in which assets can be converted into cash without loss. Banks traditionally use the statutory liquidity reserve and their borrowing capacity in the volatile interbank money market as the source of liquidity. But a conscious approach to measure and monitor the liquidity is somewhat lacking in our market. We can learn and draw immense benefit by sharing the best practices, tools and techniques of liquidity management. Liquidity Risk arises from funding of long term assets by short term liabilities, thereby making the liabilities subject to rollover or refinancing Risk.

2.34 Interest rate risk management

Interest rate risk is the exposure of a bank's financial condition to adverse movements in interest rates. Accepting this risk is a normal part of banking and can be an important source of profitability and shareholder value. However, excessive interest rate risk can pose a significant threat to a bank's earnings and capital base. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. Changes in interest rates also affect the underlying value of the bank's assets, liabilities and off-balance sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change. Accordingly, an effective risk management process that maintains interest rate risk within prudent levels is essential to the safety and soundness of banks.

2.35 Operation risk management

The Objective of Operation Risk Management is to align the business control environment with the bank's strategy by measuring and mitigating risk exposure, contributing to optimal return for stakeholders. The regulators are continuously setting rules and procedures to ensure a greater level of insight and awareness about the risk, we manage and the effectiveness of the controls, we have in place to reduce or mitigate risks. As such, Trust Bank has focused on operational risk management to identify measure, evaluate, control and manage the risks by posing a strong compliance culture and meeting the regulatory requirements. We have a well constructed operational risk process to address, understand and manage it at an early stage.

Bangladesh Bank issued final Basel III guidelines, applicable with effect from January, 2015 in a phased manner through till December, 2019 as per the transitional arrangement provided by Bangladesh Bank for Basel III implementation. The Basel III rules on capital consist of measures on improving the quality, consistency and transparency of capital, enhancing risk coverage, introducing a supplementary leverage ratio and promoting counter-cyclical buffers and addressing systemic risk and inter-connectedness. In 2015, the Bank is required to maintain minimum Common Equity Tier-1 (CET1) capital ratio of 4.50%, minimum Tier-1 capital ratio of 5.50 % and minimum total capital ratio of 10.00%.

Pillar-I: Minimum Capital Requirement:

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. Trust Bank Ltd. has adopted the following measurement approaches for computing its Capital Adequacy Ratio:

- Standardized Approach for Credit Risk,
- Basic Indicator Approach for Operational Risk, and
- Standardized Approach for Market Risk.



Pillar-II: Supervisory Review Process (SRP)

In compliance with the Pillar-II guidelines of the Bangladesh Bank under Basel III framework, Trust Bank Ltd. has formulated its own Board approved Internal Capital Adequacy Assessment Process (ICAAP) to assess various risks that it is exposed to. The assessment of adequate capital would be the outcome of the dialogue to be held between the bank's SRP and Bangladesh Bank's SREP team.

Following Risk has to be assess for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline:

- Residual Risk
- Concentration Risk
- Liquidity Risk
- Reputation Risk
- Strategic Risk
- Settlement Risk
- Evaluation of Core Risk Management
- Environmental & Climate Change Risk
- Other material Risks

Pillar-III: Market Discipline:

Pillar- III (Market discipline) of Basel III, aims to encourage Market discipline by developing a set of disclosure requirements which allows market participants to assess key pieces of information on the scope of application, capital, risk exposures, risk assessment processes and hence, the capital adequacy of the Bank. The Pillar-III Disclosures are published on a yearly basis on the Bank's website plus a year-end disclosure of every year. The Pillar-III year-end disclosures are also published in the Bank's Annual Report apart from being available on the Bank's website.

2.36 Earning per share (EPS)

Basic earnings per share

Basic earnings per share has been calculated in accordance with BAS 33 "Earnings per Share" which has been shown on the face of the profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share is not required to be calculated for the year as there was no scope for dilution during the year under review.

2.37 Non controlling interest

Non controlling interest is that portion of the profit or loss and net assets of the subsidiary (Trust Bank Investments Limited) attributable to equity interests that are not owned, directly or indirectly through subsidiary, by the Parent (Trust Bank Limited).

2.38 Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Limited applied most of the BAS and BFRS, details of which are given below:

Name of BAS	BAS No.	Status
Presentation of Financial Statements	1	*Applied
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied



Name of BAS	BAS No.	Status
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Lease	17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The effects of Changes in Foreign Exchange Rate	21	Applied
Borrowing Cost	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	*Applied
Earnings per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	*Applied
Name of BAS	BAS No.	Status
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	*Applied
Investment Property	40	N/A
Agriculture	41	N/A

Name of BFRS	BFRS No.	Status
First-time Adoption of Bangladesh Financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	*Applied
Operating Segments	8	Applied
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	N/A
Disclosure of Interest in Other Entities	12	Applied
Fair Value Measurement	13	*Applied

* Subject to departure described in note 2.1

N/A= Not Applicable

2.39 Auditors' Work- hour

The external auditors, M/S Syful Shamsul Alam & Co., Chartered Accountants, an independent member of UHY International, the UHY network is a member of the forum of firms, of the Bank worked about in excess 4,140 work-hours at the Bank's Head Office and different branches. During their audit, they audited above 80% of the Bank's risk weighted assets as of the reporting date.

2.40 The Bank's compliance with related pronouncements by Bangladesh Bank:

i) Internal Control

The objective of internal control is to ensure that management has reasonable assurance that (i) operations are effective, efficient and aligned with strategy, (ii) financial reporting and management information is reliable, complete and timely accessible, (iii) the entity is in compliance with applicable laws and regulations as well as its internal policies and ethical values including sustainability, and (iv) assets of the company are safeguarded and frauds & errors are prevented or detected.



Trust Bank Limited has established an effective internal control system whose primary aim is to ensure the overall control of risks and provide reasonable assurance that the objectives set by the Bank will be met. It has designed to develop a high level risk culture among the personnel of the Bank, establish efficient and qualified operating model of the Bank, ensure reliability of internal and external information including accounting and financial information, secure the Bank's operations and assets, and comply with laws, regulatory requirements and internal policies.

The Board of Directors of Bank, through its Audit Committee, periodically reviews the effectiveness of Bank's internal control system covering all the material controls, including financial, operational and compliance controls, risk management systems, the adequacy of resources, qualifications and experience of staff of the accounting and financial reporting function, training programs, budget, etc. Board Audit Committee reviews the actions taken on internal control issues identified by the Internal & External Auditors and Regulatory Authorities. It has active oversight on the internal audit's independence, scope of work and resources and it also reviews the functions of Internal Control & Compliance Division of Head Office, particularly the scope of the annual audit plan and frequency of the internal audit activities.

ii) **Internal Audit**

Internal Audit is the continuous and systematic process of examining and reporting on the activities of an organization undertaken by the specially assigned staff(s). Internal Auditor works as the Eyes & Ears of the management. It may therefore be used to bridge the gap between management & shop floor. It can assure the management that the Internal Controls are adequate and in operations, the policies and systems laid down are being adhered to and accounting records provided by the lower level are correct.

Internal Audit Mechanism is used as an important element to ensure good governance of TBL. Internal Audit Activity of TBL is effective and it provides senior management with a number of important services. These include detecting and preventing fraud, testing internal control, and monitoring compliance with own policies & procedures, applicable rules & regulations, instructions/ guidelines of regulatory authority etc.

During the period 2015, IC&C Division conducted inspection on many of the Branches/ Divisions of Head Office of the Bank and submitted reports presenting the findings of the audits/ inspections. Necessary control measures and corrective actions have been taken on the suggestions or observations made in these reports. The reports or key points of the Reports have also been discussed in the meetings of the Audit Committee of the Board and necessary steps have been taken according to the decision of the said Committee for correct functioning of Internal Controls & Compliance.

iii) **Fraud and Forgeries**

The increasing wave of fraud and forgery cases in the banking sector in recent time calls for concerted steps in identifying ways for reducing or preventing frauds and forgeries by analyzing the causes and effect of frauds and forgeries, and prescribing effective control strategies for salvaging frauds in the banking sector. Trust Bank does always pay due attention on anti-fraud internal controls for prevention of fraud and forgery. The Bank has already implemented some strategies like Financial Control Strategy, Personnel Control Strategy, Accounting Control Strategy, Credit Control Strategy, Cost Control Strategy, Administrative Control strategy, Process Control Strategy etc. in order to strengthening the control system further. Although it is not possible to eliminate all frauds because of the inherent limitations of Internal Control System, the Board of Directors and Management have taken all the measures to keep the operational risk in a very minimum level. Internal Control and Compliance (IC&C) Division assesses and evaluates the effectiveness of Bank's anti-fraud internal control measures, recommends for further improvement in implementation of aforesaid strategies and reports to the Bangladesh Bank on effectiveness of controls at the end of each quarter following their prescribed format.

2.41 The financial statements were approved by the Board of Directors on 23 March 2016.

2.42 General

- i) Figures have been rounded off to the nearest taka;
- ii) Prior year's figures shown for comparison purpose, have been rearranged, whenever necessary, to confirm to current year's presentation.



3 CASH

3.1 Cash in hand

	31.12.2015 Taka	31.12.2014 Taka
In local currency	2,650,785,194	2,666,911,119
In foreign currencies	63,988,013	95,799,115
	2,714,773,207	2,762,710,234

3.2 Balance with Bangladesh Bank and its agent bank(s) Balance with Bangladesh Bank

In local currency	9,916,500,484	7,745,197,402
In foreign currencies	1,251,268,559	88,471,673
	11,167,769,043	7,833,669,075
Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	120,069,524	157,584,961
	11,287,838,567	7,991,254,036

3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act 1991 and MPD circular no. 01, dated July 24, 2014 issued by Bangladesh Bank.

The Cash Reserve Requirement (CRR) has been calculated @ 6.5% on the Bank's time & demand liabilities of the month earlier of the previous month and maintained with Bangladesh Bank in current account and 13% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Treasury Bills, Bonds and Debentures including FC balance with Bangladesh Bank and the components of CRR. Both reserves have been maintained during the year by the Bank are in excess of the statutory requirements. The position of CRR and SLR as on 31 December 2015 is shown below:

3.3.1 Cash Reserve Requirement (CRR) for Conventional Banking

Average Demand and Time Liabilities of the month earlier of the previous month	141,846,104,000	108,642,709,000
--	------------------------	------------------------

3.3.1.1 Minimum Required Reserve (6% of Average Demand and Time Liabilities)

Actual Reserve held (6.44% of Average Demand and Time Liabilities)	8,510,766,240	6,518,562,540
Surplus	9,140,122,563	7,270,940,982
	629,356,323	752,378,442

3.3.1.2 Average Required Reserve (6.5% of Average Demand and Time Liabilities)

Average Reserve held with B. Bank (6.59% of Average Demand and Time Liabilities)	9,219,996,760	7,061,776,085
Surplus	9,349,517,434	7,270,940,982
	129,520,674	209,164,897

3.3.1.3 Statutory Liquidity Ratio for Conventional Banking (SLR)

Required Reserve (13% of Average Demand and Time Liabilities)	18,439,993,520	14,123,552,170
Actual Reserve held with B. Bank (17.22% of Average Demand and Time Liabilities)	24,426,149,936	21,043,311,080
Surplus	5,986,156,416	6,919,758,910



	31.12.2015 Taka	31.12.2014 Taka
3.3.1.4 Components of Statutory Liquidity Requirement (SLR)		
Cash in Hand	2,703,281,746	2,750,410,345
Balance with Agent Bank(s)	120,067,570	157,593,961
Excess Reserve	-	209,164,900
Government Bills	6,691,458,580	4,588,832,551
Government Bonds	13,959,092,790	13,333,139,923
Bangladesh Bank Bill	947,935,650	-
Other Approved Securities (Prize Bond)	4,313,600	4,169,400
	24,426,149,936	21,043,311,080
3.3.2 Cash Reserve Ratio (CRR) for Islamic Banking		
Average Demand and Time Liabilities of the month earlier of the previous month	11,362,919,000	7,141,822,000
3.3.2.1 Minimum Required Reserve (6% of Average Demand and Time Liabilities)		
Minimum Reserve held (7.4% of Average Demand and Time Liabilities)	681,775,140	428,509,320
	840,303,471	535,450,336
Surplus	158,528,331	106,941,016
3.3.2.2 Average Required Reserve (6.5% of Average Demand and Time Liabilities)		
Average Reserve held with B. Bank (8.33% of Average Demand and Time Liabilities)	738,589,735	464,218,430
	946,457,866	535,450,336
Surplus	207,868,131	71,231,906
3.3.2.3 Statutory Liquidity Requirement for Islamic Banking (SLR)		
Required Reserve (5.5% of Average Demand and Time Liabilities)	624,960,545	392,800,210
Actual Reserve held with B. Bank (7.6% of Average Demand and Time Liabilities)	863,277,678	493,658,800
Surplus	238,317,133	100,858,590
3.3.2.4 Held for Statutory Liquidity Requirement		
Cash in Hand	11,563,961	12,426,890
Excess Reserve	101,713,717	71,231,910
Balance with Agent Bank(s)	-	-
Government Bills	-	-
Government Bonds	-	-
Government Islamic Investment Bonds	750,000,000	410,000,000
	863,277,678	493,658,800



4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS

4.1 In Bangladesh

Current Deposits

	31.12.2015 Taka	31.12.2014 Taka
Sonali Bank Ltd.	27,248,097	59,328,777
Rupali Bank Ltd.	-	85,255
The City Bank Ltd.	-	38,616
Janata Bank Ltd.	-	54,633
Agrani Bank Ltd.	4,875	55,835
Brac Bank Ltd.	27,437,389	18,968,950
Social Islamic Bank Limited	7,700	508,275
	54,698,061	79,040,341

Short Term Deposits

Sonali Bank Limited	134,832,376	106,553,266
AB Bank Limited	4,009,963	3,858,368
Rupali Bank Limited	236,733	1,113,683
Janata Bank Limited	646,243	2,113,327
Prime Bank Limited	1,081,393	1,518,598
Standard Chartered Bank	9,673,369	31,807,581
Dutch Bangla Bank Limited	489,522	37,015,223
Bank Asia Limited	397,527,822	289,768,322
Standard Bank Limited	2,813,158	2,722,878
Al Arafah Islami Bank Limited	62,377	335,169
NCC Bank Limited	52,064	51,165
Southeast Bank Limited	6,412	7,303
	551,431,432	476,864,883

Mudaraba Short Term Deposit

AB Bank Limited	715,666,782	206,054,920
The City Bank Limited	155,472,412	1,052,295
EXIM Bank Limited	6,452,554	46,155,807
Bank Asia Limited	536,170	524,515
Union Bank Limited	653,951	24,879,904
	878,781,869	278,667,441

Fixed Deposits With NBFI

Union Capital Limited	-	150,000,000
Delta Brac Housing Limited	200,000,000	-
	200,000,000	150,000,000

Mudaraba Term Deposits

	-	200,000,000
Social Islami Bank Limited	500,000,000	-
Islamic Finance & Investment Limited	100,000,000	-
The City Bank Limited	300,000,000	-
EXIM Bank Limited	-	100,000,000
Hajj Finance Company Limited	250,000,000	200,000,000
	1,150,000,000	500,000,000
	2,834,911,362	1,484,572,665



4.2 Outside Bangladesh

Current Account

Dollar Account

Mashreq Bank psc, USA	167,785,663	24,333,095
Standard Chartered Bank, USA	466,269,952	39,108,528
HSBC Bank, USA	786,733,696	60,065,213
ICICI Bank Ltd., Hong Kong	58,932,269	24,669,157
Commerz Bank, AG Germany	425,920,040	511,992,075
Habib Bank Limited	6,329,662	13,132,132
Sonali Bank Ltd. UK	26,585,836	10,320,480
United Bank of India	32,192,245	42,779,260

GBP Account

Standard Chartered Bank, UK	10,032,081	5,883,484
Sonali Bank Ltd., UK	1,435,679	4,301,555
HSBC, PLC, UK	14,090,943	18,335,838

Japanese Yen Account

Standard Chartered Bank, Japan	1,096,721	1,737,589
Commerz Bank, AG, Germany	2,712,395	1,100,501

Australian Dollar Account

Commerz Bank, AG, Germany	405,095	1,296,660
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EURO Account

HSBC, PLC, UK	4,629,659	6,212,192
Standard Chartered Bank, UK	23,282,785	1,990,636
ICICI Bank Ltd., Mumbai, India	1,824,925	487,917
Sonali Bank Ltd. UK	921,798	3,611,598
Commerz Bank, AG, Germany	3,386,499	10,552,523

ACUD Account

ICICI Bank Ltd., Mumbai, India	41,079,742	24,337,010
AB Bank Ltd., Mumbai, India	65,841,527	1,324,771
Mashreq Bank, Mumbai, India	16,796,349	6,162,270
Standard Chartered Bank, Mumbai, India	27,765,539	18,371,446

CHF Account

Habib Bank Ltd., Zurich	3,311,842	7,055,769
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SAR Accounts

Bank Aljazira - SAR	2,128,370	-
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For details please refer to Annexure - A

31.12.2015
Taka

31.12.2014
Taka

2,191,491,312

839,161,699

5,026,402,674

2,323,734,364

4.3 Remaining maturity grouping of balance with other banks and financial institutions

On demand	2,246,189,373	918,202,040
Upto 1 month	1,500,213,301	1,205,532,324
Over 1 month but not more than 3 months	650,000,000	80,000,000
Over 3 months but not more than 1 Year	630,000,000	120,000,000
Over 1 Year but not more than 5 Years	-	-
Over 5 Years	-	-
	5,026,402,674	2,323,734,364



		31.12.2015	31.12.2014
		Taka	Taka
4 (a)	CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
In Bangladesh			
Trust Bank Limited	Note-4.1	2,834,911,362	1,484,572,665
Trust Bank Securities Limited		37,349,101	32,745,706
Trust Bank Investment Limited		5,184,381	3,522,115
		2,877,444,844	1,520,840,486
Less : Inter Company Transaction		5,839,714	4,161,210
		2,871,605,130	1,516,679,276
Outside Bangladesh			
	Note-4.2	2,191,491,312	839,161,699
		5,063,096,442	2,355,840,975
5	MONEY AT CALL AND SHORT NOTICE		
Banks		-	-
Non-Banking Financial Institutions		-	-
		-	-
6	INVESTMENTS		
Government Securities			
Treasury Bills			
	Note-6.1		
Treasury Bills -HTM		-	-
Treasury Bills-HFT		6,691,458,580	4,588,832,551
		6,691,458,580	4,588,832,551
Treasury Bonds			
	Note-6.2		
Treasury Bond - HFT		-	-
Treasury Bond - HTM		13,959,092,790	13,333,139,923
Govt. Islamic Investment Bond - HFT		750,000,000	-
Bangladesh Govt. Islamic Investment Bond - HTM		-	410,000,000
		14,709,092,790	13,743,139,923
Reverse REPO		-	-
Asset Pledge as Security		-	-
Bangladesh Bank Bill		947,935,650	-
Prize Bond		4,313,600	4,169,400
		22,352,800,620	18,336,141,874
Other Investment			
16,000,000 Shares United Power Generation & Distribution Co. Ltd.@ Tk. 10 each		-	160,000,000
Ordinary Shares			
Quoted	Note-6.4.1	498,242,780	499,369,357
Unquoted	Note-6.4.2	38,062,657	34,708,330
		536,305,437	534,077,687
Investment in Commercial papers	Note-6.4.3	500,000,000	-
Investment in Corporate Bonds	Note-6.4.4	873,100,000	322,000,000
		1,909,405,437	1,016,077,687
		24,262,206,057	19,352,219,561



6 (a) Consolidated Investments
Government Securities

Trust Bank Limited
Trust Bank Securities Limited
Trust Bank Investment Limited

Other Investment

Trust Bank Limited
Trust Bank Securities Limited
Trust Bank Investment Limited

Less : Inter Company Transaction

	31.12.2015 Taka	31.12.2014 Taka
22,352,800,620	18,336,141,874	
-	-	
-	-	
22,352,800,620	18,336,141,874	
1,909,405,437	1,016,077,687	
-	-	
1,585,479,128	974,509,830	
3,494,884,565	1,990,587,517	
-	-	
25,847,685,185	20,326,729,391	
-	-	
-	200,716,055	
495,276,000	3,247,200,944	
6,196,182,580	1,140,915,552	
6,691,458,580	4,588,832,551	
-	410,000,000	
860,408,724	494,280,744	
2,117,812,291	2,118,066,266	
6,487,403,355	6,226,090,587	
3,122,551,790	3,123,775,451	
1,370,916,630	1,370,926,875	
13,959,092,790	13,743,139,923	

6.1 Treasury Bills-at Present Value

28 days Treasury Bills
91 days Treasury Bills
182 days Treasury Bills
364 days Treasury Bills

6.2 Treasury Bonds-at Present Value

01 years Islamic Investment Bond
02 years Treasury Bonds
05 years Treasury Bonds
10 years Treasury Bonds
15 years Treasury Bonds
20 years Treasury Bonds

6.3 Repo & Reverse Repo Transactions during the period ended on 31 December 2015

Disclosure required as per Bangladesh Bank DOS Circular No.-06 Dated: 15 July 2010 regarding repo and reverse repo during the year ended on 31 December 2015.

a. (i) Disclosure regarding outstanding REPO as on 31 December 2015

SI No.	Counter Party	Agreement Date	Reversal Date	Amount (1st Leg Cash Consideration)
1	-	-	-	-

(ii) Disclosure regarding outstanding Reverse REPO as on 31 December 2015

SI No.	Counter Party	Agreement Date	Reversal Date	Amount (1st Leg Cash Consideration)
1	-	-	-	-

b. Disclosure regarding overall transaction of REPO and Reverse REPO:

Particulars	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily Average Outstanding during the year
Securities sold under REPO:			
i) with Bangladesh Bank	255,000,000	2,211,530,000	1,296,867,763
ii) with other Banks & Fis	701,712,750	701,712,750	701,712,750
Securities purchased under REPO:			
i) with Bangladesh Bank	100,000,000	4,700,000,000	1,866,246,269
ii) with other Banks & Fis			



31.12.2015
Taka

31.12.2014
Taka

6.4 Other Investment

This represents investment made by the company both in listed and unlisted securities. The investment is made up as under:

Particulars	31.12.2015			31.12.2014		
	No. of Securities	At Cost	Market Value	No. of Securities	At Cost	Market Value
Investment Securities : Quoted	14	498,242,780	328,936,813	14	499,369,357	392,908,847
Investment Securities : Unquoted	4	38,062,657	38,062,657	3	34,708,330	34,708,330
Investment in Preference Share	0	-	-	1	160,000,000	160,000,000
Investment in Corporate Bonds	5	873,100,000	873,100,000	4	322,000,000	322,000,000
Investment in Commercial Paper	2	500,000,000	500,000,000	0	-	-
Balance as on 31 December 2015	25	1,909,405,437	1,783,467,311	23	1,016,077,687	909,617,177

6.4.1 Investment in Listed Securities

Investment has been recorded at cost and adequate provision for probable future losses as per Bangladesh Bank guideline has been made. Market value of securities has been determined on the basis of the value of securities at the last trading date of the year (Last trading date for the period was 31 December 2015).

6.4.1.1 Sector wise investment in Quoted Shares at cost

Banking Companies	16,374,932	16,374,933
Manufacturing Companies and others	1,641,586	1,641,586
Power Sector	21,690,180	21,690,180
IBBL Bond	54,051,240	54,051,240
Fixed Income Fund	245,419,417	246,545,994
Mutual Fund	159,065,425	159,065,424
	498,242,780	499,369,357

6.4.1.2 Security wise Investment in Quoted Shares

Under Conventional Banking	430,452,038	431,578,615
Under Islamic Banking	67,790,742	67,790,742
	498,242,780	499,369,357

Security wise Investment in Quoted Shares is given below:

SL	Name of Security	Nos of Share			Average cost rate	2015	2014
		Conventional	Islamic	Total			
1	EBL NRB Mutual Fund	6,121,372	-	6,121,372	8.02	49,070,000	49,070,000
2	First Bangladesh Fixed Income Fund	31,706,902	-	31,706,902	7.74	245,419,417	246,545,994
3	IBBL Mudaraba Perpetual Bond	-	55,915	55,915	966.67	54,051,240	54,051,240
4	Islami Bank Bangladesh Ltd.	112,612	101,612	214,224	33.85	7,250,729	7,250,729
5	Popular Life First Mutual Fund	1,244,334	-	1,244,334	8.04	10,000,000	10,000,000
6	Power Grid Company of Bangladesh Ltd.	71,250	54,100	125,350	58.36	7,314,860	7,314,860
7	Prime Bank Ltd.	61,600	-	61,600	32.68	2,012,905	2,012,905
8	Pubali Bank Ltd.	23,625	-	23,625	42.23	997,688	997,688
9	Square Pharmaceuticals Ltd.	3,234	-	3,234	182.32	589,631	589,631
10	Summit Power Ltd.	296,828	-	296,828	48.43	14,375,320	14,375,320
11	Social Islami Bank Ltd.	-	300,000	300,000	20.38	6,113,610	6,113,610
12	Padma Oil Co. Ltd.	-	3,000	3,000	350.65	1,051,956	1,051,956
13	LR Global Bangladesh Mutual Fund One	4,656,430	-	4,656,430	7.90	36,789,728	36,789,728
14	Trust Bank 1St Mutual Fund	6,554,016	-	6,554,016	9.64	63,205,696	63,205,696
						498,242,780	499,369,357

Provision for Investment and Securities has been shown separately in note no. "12 - Other Liabilities ".



6.4.2 Unlisted Securities

Ordinary Share

IT Consultant Limited (ITCL)

CAPM Unit Fund

Central Depository Bangladesh Limited (CDBL)

SWIFT

31.12.2015
Taka

31.12.2014
Taka

20,000,000

20,000,000

10,000,000

10,000,000

4,708,330

4,708,330

3,354,327

-

38,062,657

34,708,330

Trust Bank Ltd. is holding 2,000,000 no of Shares of IT Consultants Ltd. (ITCL) since March 13, 2011. As on January 10, 2016 ITCL has been listed and started public trade simultaneously in Dhaka Stock Exchange & Chittagong Stock Exchange.

6.4.3 Investment in Commercial Papers

Star Porcelain Pvt. Ltd.

Anwara Mannan Textile Mills Limited

300,000,000

-

200,000,000

-

500,000,000

-

6.4.4 Investment in Corporate Bonds

Rate of Interest/Profit

Prime Bank Ltd. Subordinated Bond

11.50%

130,000,000

130,000,000

Dhaka Bank Ltd. Subordinated Bond

11.65%

35,000,000

50,000,000

National Bank Ltd. Subordinated Bond

11.50%

25,600,000

32,000,000

Al-Arafa Islamic Bank Ltd. Subordinated Bond

10.50%

600,000,000

-

MTBL Partly Convertible Subordinated Bond

11.00%

82,500,000

110,000,000

873,100,000

322,000,000

6.4.4.1 Investment in Corporate Bonds

Under Conventional Banking

673,100,000

322,000,000

Under Islamic Banking

200,000,000

-

873,100,000

322,000,000

6.5 Remaining maturity grouping of Investments

On demand

4,313,600

4,169,400

Upto 1 month

2,494,352,750

174,377,826

Over 1 month but not more than 3 months

1,951,874,087

3,873,572,785

Over 3 months but not more than 1 Year

5,394,107,777

1,681,679,860

Over 1 Year but not more than 5 Years

4,836,390,561

4,886,918,510

Over 5 Years

9,581,167,282

8,731,501,180

24,262,206,057

19,352,219,561

7 LOANS AND ADVANCES/ISLAMI BANKING INVESTMENTS

Loans And Advances Under Conventional Banking

Repair & Recon. of Dwelling House (RRDH)

3,963,554,880

3,300,459,821

Consumer Durable Scheme Loans (CDS)

2,542,699

2,983,524

Marriage Loans (ML)

785,072,414

542,811,266

Car Loans (CL)

89,612,733

60,005,908

House Building Loans (HBL)

5,291,327,986

5,283,238,509

Term Loans

51,824,077,558

37,974,652,964



	31.12.2015 Taka	31.12.2014 Taka
Other Retail Loans	2,061,559,394	1,742,477,078
Time Loans	16,270,126,230	12,813,327,014
Other Loans	9,435,804,223	4,596,808,772
Staff Loans	877,840,264	730,134,834
Loans against Credit Card	114,498,774	111,897,109
Loans against Trust Receipts (LTR)	5,554,737,850	7,709,972,234
Payment Against Documents (PAD)	2,619,399,938	1,683,271,209
Packing Credit (Loan agt. Packing Credit)	270,590,215	210,765,593
	99,160,745,158	76,762,805,835

Loans And Advances under Islamic Banking

Bai-Muajjal	5,013,404,100	3,228,006,103
Hire Purchase under Shirkatul Melk	633,550,735	704,870,735
IHSAN Apartment Purchase Scheme	33,537,972	28,357,333
BARAKAT Home Construction Scheme	55,559,625	32,496,865
BARAKAT Car Scheme	4,882,361	4,391,859
HPSM-Real Estate	405,385,252	183,581,162
Murabaha TR	1,163,767,838	1,035,569,911
Bai-Salam	71,889,055	68,174,499
Household Durable & others scheme	1,232,163	806,679
TIB House Build. Inv. for Rtd. Def. Officer (M)	500,000	-
TIB House Building Scheme-HBL (RM)	101,257,367	72,434,126
TIB Household Durable Scheme(Household Durable)	1,446,910	909,839
HPSM General	886,935,762	378,207,856
Barkat Doctors Scheme	1,490,970	-
MIB- EDF - TIB	366,776,325	398,557,937
	8,741,616,435	6,136,364,904

Cash Credit

Cash Credit	1,850,518,146	1,917,772,476
Cash Collateral	1,752,737,409	1,861,320,691
	3,603,255,555	3,779,093,167

Overdraft

Overdrafts	8,070,843,009	6,108,040,349
Secured Overdrafts	8,099,404,888	9,485,978,352
	16,170,247,897	15,594,018,701

Total Loans, Cash Credits and Overdrafts

	127,675,865,045	102,272,282,607
--	------------------------	------------------------

Bills Purchased and Discounted

Under Conventional banking	Note-7.6	2,499,279,396	4,331,646,041
Under Islamic banking		439,501,328	282,154,053
		2,938,780,724	4,613,800,094
		130,614,645,769	106,886,082,701



7.1 Residual maturity grouping of Loans and Advances including Bills Purchased and Discounted

	31.12.2015 Taka	31.12.2014 Taka
Repayable on demand	5,530,510,010	5,758,515,634
Not more than 3 months	35,941,366,666	25,746,878,102
More than 3 months but not more than 1 Year	51,571,034,885	40,712,709,344
More than 1 Year but not more than 5 Years	29,428,106,199	26,000,136,219
More than 5 Years	8,143,628,009	8,667,843,402
	130,614,645,769	106,886,082,701

7.2 Loans and Advances including Bills Purchased and Discounted Inside Bangladesh

Loans	107,902,361,593	82,899,170,739
Cash Credit	3,603,255,555	3,779,093,167
Overdraft	16,170,247,897	15,594,018,701
Bills purchased and discounted	2,938,780,724	4,613,800,094
	130,614,645,769	106,886,082,701
Outside Bangladesh	-	-
	130,614,645,769	106,886,082,701

7.3 Loans and Advances on the basis of significant concentration

7.3.1 Advances to Directors and Others

Advance to Directors and their allied concerns	230,998,943	18,173,936
Advances to CEO and Senior Executives	221,133,971	202,944,040
Advances to Customers (Group wise)	44,341,252,088	32,462,208,952
Industrial Advances (Project finance)	22,872,177,642	17,512,644,853
Other Staff Loan	656,706,293	730,134,834
Other Customers	62,292,376,832	55,959,976,086
	130,614,645,769	106,886,082,701

7.3.2 Disclosure of Large Loan

As per BRPD Circular No. 5 dated 9 April 2005 issued by Bangladesh Bank, disclosure on large loan i.e. loan sanctioned to any individual or enterprise or any organization of a group amounting to 10% or more of the Bank's total capital and classified amount therein and measures taken for recovery of such loan have been furnished as under:

Total Capital	13,589,942,676	12,335,094,319
Total Loans and Advances	65,391,331,023	52,081,386,508
No. of Customers	29	29
Classified amount thereon	Nil	Nil
Measures taken for recovery of classified loans:	N/A	N/A



Details of Large Loans

SL #	Name of the Client	CL Status	Outstanding Loan		Total 31.12.2015	Total 31.12.2014
			Funded	Non-Funded		
1	Pretty Sweater Ind. Ltd.	UC	1,617,415,828	2,938,606,466	4,556,022,294	2,816,785,163
2	Sena Kalyan Sangstha & allied	UC	3,262,688,932	768,650,000	4,031,338,932	3,193,467,340
3	Dhaka Northern Power Generations Ltd.	UC	3,462,320,903	80,330,574	3,542,651,477	-
4	Jolshiri Abashon	UC	3,424,582,030	-	3,424,582,030	2,785,615,602
5	SQ Celcius Limited	UC	1,837,430,343	1,579,561,843	3,416,992,186	3,053,023,729
6	Army Welfare Trust and its sister concern	UC	3,201,489,362	46,652,726	3,248,142,088	2,735,588,588
7	Khulna Shipyard Ltd.	UC	186,810,625	2,705,540,539	2,892,351,164	-
8	Scandex Textile Ind. Ltd.	UC	1,512,539,832	1,200,594,245	2,713,134,077	2,604,325,607
9	Elegance Housing Society	UC	2,228,608,760	-	2,228,608,760	-
10	Divine Housing Society	UC	2,159,421,800	-	2,159,421,800	-
11	GPH Ispat Ltd.	UC	1,226,568,139	875,436,036	2,102,004,175	2,663,668,252
12	ASR Computerized Sweater (Ind.) Ltd., ASR Sweater Ltd., Golden Times Sweater & Dyeing (Ind.) Ltd	UC	624,106,571	1,432,418,716	2,056,525,287	-
13	United Ashugonj Power Ltd., United Power Generation & Distribution Company Ltd., United Ashugonj Energy Ltd., United Enterprise & Co. Ltd., Neptune Commercial Ltd.	UC	1,756,780,534	234,774,704	1,991,555,238	-
14	Sky Capital Airlines Ltd. & Blue Planet Knitwear Ltd.	UC	1,327,582,465	662,762,867	1,990,345,332	-
15	Santana Enterprise	UC	1,892,151,667	62,406,657	1,954,558,324	1,653,953,532
16	KSRM Steel Plant Ltd., Kabir Steel Re-rolling Mills Ltd., Kabir Steel Ltd.	UC	1,657,064,800	277,696,860	1,934,761,660	-
17	KYCR Coil Industries Ltd., Steel Accessories Ltd., KDS Logistics Ltd.	UC	1,245,920,814	648,063,092	1,893,983,906	1,305,163,996
18	Shah Cement Ind. Ltd., Abul Khair Steel Ind. Ltd., A.K. Corporation Ltd., Abul Khair Strip Processing Ltd., Abul Khair Steel Melting Ltd.	UC	1,430,193,623	444,329,241	1,874,522,864	-
19	Shabab Fabrics Ltd.	UC	1,285,130,595	528,125,306	1,813,255,901	-
20	Barakatullah Electro Dynamics Ltd., Baraka Patenga Power Ltd.etc	UC	1,200,034,084	500,099,013	1,700,133,097	1,890,893,789
21	Anwar Group of Industries	UC	1,240,119,149	452,536,157	1,692,655,306	1,533,898,017
22	Anwer Khan Modern Hospital Ltd., Modern Diagnostic Center Ltd.	UC	1,634,717,995	10,406,776	1,645,124,771	-
23	Dhaly Construction Ltd.	UC	1,241,647,648	391,131,589	1,632,779,237	1,320,951,874
24	Navana Real Estate Ltd., Navana Batteries Ltd., Navana Renewable Energy Ltd.	UC	1,538,824,422	4,068,511	1,542,892,933	-
25	7B Associates	UC	989,443,416	538,194,775	1,527,638,191	1,183,708,367
26	Walton Hi-Tech Industries Ltd.	UC	48,565,881	1,463,079,880	1,511,645,761	1,436,313,922
27	Sena Paribar Kallyan Samity	UC	1,499,409,313	-	1,499,409,313	1,262,147,050
28	Danish Condensed Milk Ltd. & Danish Foods Ltd.	UC	1,152,614,756	288,299,195	1,440,913,951	1,292,251,274
29	Bangladesh Machine Tools Factory Ltd.	UC	338,826,771	1,034,554,197	1,373,380,968	1,345,769,055
30	Masud & Brothers	UC	-	-	-	2,289,558,353
31	Abul Khair Group	UC	-	-	-	1,861,897,990
32	Opex-Sinha Group	UC	-	-	-	1,476,255,186
33	Kabir Group	UC	-	-	-	1,197,061,578
34	ACI Group	UC	-	-	-	1,749,830,355
35	BRAC	UC	-	-	-	1,425,028,529
36	The ACME Laboratories Ltd.	UC	-	-	-	1,885,291,312
37	RSRM Group	UC	-	-	-	1,194,778,446
38	Rising Steel Limited	UC	-	-	-	1,276,258,820
39	Friends Traders & AG Hi-Tech Ltd.	UC	-	-	-	1,318,657,156
40	Pacific Group	UC	-	-	-	1,165,760,749
41	Joy Enterprise & allied	UC	-	-	-	1,163,482,877
					65,391,331,023	52,081,386,508



31.12.2015
Taka

31.12.2014
Taka

7.3.4 Disclosure of Restructured Loan

According to Bangladesh Bank Circular no. 04 dated 29 January 2015 relating to Large Loan Restructuring, the term loans provided to Rising Steel Limited and Modern Steel Mills Limited have been restructured after getting approval from Bangladesh Bank against of which provision has been kept after treating the loans as SMA with additional 1% provision. Details of restructured loan is given in the following table:

Name of the Client	Nature of Loan	Restructure Date	Expiry Date	Limit	Outstanding
Rising Steel Limited	Term Loan	27-Dec-15	27-Dec-21	95,544,112	95,690,082
	Term Loan	27-Dec-15	27-Dec-21	1,237,212,826	1,239,103,012
Modern Steel Mills Limited	Term Loan	3-Sep-15	3-Sep-27	836,688,762	867,568,579
	Term Loan	3-Sep-15	3-Sep-21	221,695,247	229,877,392
Total				2,391,140,947	2,432,239,065

7.3.5 Geographical location-wise concentration of Loans and Advances

Inside Bangladesh

Dhaka Division	98,313,832,767	79,429,352,090
Chittagong Division	22,149,458,154	19,474,683,558
Khulna Division	3,571,793,989	3,091,691,591
Sylhet Division	2,721,513,564	2,745,627,710
Rangpur Division	1,773,065,904	919,589,499
Barisal Division	160,710,500	155,993,722
Rajshahi Division	1,576,323,235	1,069,144,531
Mymensingh Division	347,947,656	-
	130,614,645,769	106,886,082,701
Outside Bangladesh	-	-
	130,614,645,769	106,886,082,701

7.3.6 Industry-wise concentration of Loans and Advances

Agro & Fisheries	2,165,835,439	1,644,644,330
Cement & Building Materials	5,658,166,852	4,389,962,507
Chemical, Pharma & Petro-chemical	2,201,715,322	4,058,378,568
Paper	1,498,007,819	1,286,002,565
Rubber & Plastic	507,305,954	319,192,273
Edible Oil	657,084,526	511,728,512
Energy & Power	8,517,308,897	2,695,392,879
Steel & Engineering & Metal Product	10,451,402,050	7,522,741,181
Textile & Garments	17,325,494,721	13,782,482,518
Food & Allied	2,366,032,548	2,280,119,011
Construction	12,067,593,824	7,926,825,724
Housing	10,388,565,017	10,345,985,265
Trading	16,217,061,569	13,282,517,845
Telecom, ICT & Transport	5,856,597,727	4,407,748,094
NBFI & NGO	2,181,888,790	1,618,378,990
Medical services	2,566,081,251	1,819,516,395
Personal services	11,608,481,863	9,096,165,954
Others	18,380,021,600	19,898,300,090
	130,614,645,769	106,886,082,701



7.3.7 Nature wise Loans and Advances

	31.12.2015 Taka	31.12.2014 Taka
Continuous	22,058,329,018	22,592,390,544
Demand Loan	33,061,136,376	28,509,948,245
Term Loans	74,608,767,772	55,036,759,850
Short Term Agri. Credit & Micro Credit	11,173,850	22,274,818
Staff Loan	875,238,753	724,709,244
	130,614,645,769	106,886,082,701

7.4 Classification of Loans and Advances including Bills Purchased and Discounted

Unclassified Loans and Advances (including staff loan)

Consumer Financing (House Financing, HF)	9,891,879,326	9,108,684,700
Consumer Financing (Loans for Professional, LP)	5,992,659	4,476,123
Consumer Financing (Other than HF & LP)	5,165,278,096	4,287,404,560
Small & Medium Enterprise Financing (SMEF)	6,027,373,376	5,033,867,539
Loans to BHs/ MBs/ Sds against Shares etc.	171,405,079	133,462,050
All Other Credit	98,823,635,928	81,065,966,084
Short Term Agri Credit	10,101,625	21,265,453
Staff Loans	875,238,753	724,107,515
	120,970,904,842	100,379,234,024
Special Mentioned Accounts	6,055,263,957	3,892,085,792

Classified Loans and Advances

Sub-Standard Loans and Advances	484,184,277	357,535,947
Doubtful Loans and Advances	633,675,156	214,769,004
Bad /Loss Loans and Advances	2,470,617,537	2,042,457,934
	3,588,476,970	2,614,762,885
	130,614,645,769	106,886,082,701

7.5 Particulars of Loans and Advances

(i) Debts considered good in respect of which the bank is fully secured.	76,211,670,050	63,238,917,436
(ii) Debts considered good for which the bank holds no other security than the debtor's personal security.	2,419,418,097	2,007,584,680
(iii) Debts considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	42,339,816,695	35,132,731,908
(iv) Debts considered doubtful or bad but no provision maintained thereagainst	-	-
(v) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person.	1,108,839,207	951,252,810
(vi) Debts due by companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in the case of private companies as members.	-	-



	31.12.2015 Taka	31.12.2014 Taka
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons.	1,108,839,207	951,252,810
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private company.	-	-
(ix) Due from Banking Companies.	-	-
(x) Amount of classified loan on which no interest has been charged:		
a) Increase/(Decrease) in provision	417,511,000	124,375,000
Amount of loan written off	-	-
Amount realized against loan previously written off	-	-
b) Provision kept against loans classified as bad debts	1,309,360,657	963,337,000
c) Interest credited to interest Suspense Account	881,025,457	585,545,675
(xi) Cumulative amount of written off loans		
Opening Balance	-	-
Amount written off/(recovery) during the year	-	-
	-	-
The amount of written off loans for which law suit has been filed	-	-

7.6 Bills purchased and discounted

Payable in Bangladesh	2,528,964,180	4,311,489,120
Payable out side Bangladesh	409,816,544	302,310,974
	2,938,780,724	4,613,800,094

7.7 Remaining maturity grouping of bills purchased and discounted

Payable with in 1 month	1,518,514,680	2,444,783,351
Over 1 month but less than 3 months	1,150,385,726	1,279,531,825
Over 3 months but less than 6 months	269,880,318	889,484,918
6 months or more	-	-
	2,938,780,724	4,613,800,094

7.8 Litigation filed by the Bank

As of the responding date, the Bank filed lawsuit against recovery of its defaulted loans and advances as under:

Name of the Branch

Principal Branch	151,090,423	152,841,076
Sena Kalyan Bhaban Branch	6,971,991	675,483,543



	31.12.2015 Taka	31.12.2014 Taka
Bogra Cantonment Branch	-	1,044,807
Chittagong Cantonment Branch	3,707,804	-
Jessore Cantonment Branch	21,969,000	21,969,000
Savar Cantonment Branch	2,865,485	-
Jalalabad Cantonment Branch	1,637,956	-
Agrabad Branch	762,363,491	413,550,778
Dhanmondi Branch	54,554,143	65,826,421
Gulshan Corporate Branch	1,404,233	-
Dilkusha Corporate Branch	12,585,039	3,389,637
RWGH Branch	1,812,050	1,812,050
CDA Avenue Branch	94,941,544	163,991,544
Sylhet Corp.Br	7,613,025	10,613,025
Millennium Corporate Branch	33,816,728	13,225,000
Uttara Corporate Branch	3,554,111	-
Halishahar Branch	381,608,769	347,040,769
Beani Bazar Branch	20,839,558	23,307,426
Moulvibazar Branch	92,199,627	-
Goala Bazar Branch	4,109,000	78,329,324
Mirpur Branch	7,616,825	7,616,825
Karwan Bazar Branch	2,795,240	2,795,240
Joydevpur Branch	16,248,575	-
Narsingdi Branch	7,826,184	636,043
Jubilee Road Branch	314,402,686	158,379,517
Shahjalal Upashahor Branch	4,000,000	-
Ashugonj Branch	9,324,609.00	4,662,309
Khulna Branch	6,098,433	-
Chowmuhuni Branch	9,244,000	-
Rajendrapur Branch	820,382	820,382
Elephant Road Branch	299,360	150,000
Dholaikhal SME Service Centre	6,463,279	6,830,356
Madhobdi SME Branch	10,500,000	10,500,000
	2,055,283,550	2,164,815,072

7 (a) Consolidated Loans and Advances/Islami Banking Investments

Loans And Advances		
Trust Bank Limited	127,675,865,045	102,272,282,607
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	3,163,752,069	4,578,900,657
	130,839,617,114	106,851,183,264
Less : Inter Company Transaction	124,212,217	52,452,665
	130,715,404,897	106,798,730,599
Bills purchased and discounted		
Trust Bank Limited	2,938,780,724	4,613,800,094
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	-
	2,938,780,724	4,613,800,094
	133,654,185,621	111,412,530,693



8 FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES

Cost

	31.12.2015 Taka	31.12.2014 Taka
Leasehold Land	160,469	160,469
Office Building	12,680,000	12,680,000
Furniture and fixtures	195,967,955	168,182,869
Office equipment	832,519,531	674,152,321
Motor vehicles	79,837,795	79,680,132
Office renovation	491,623,670	338,400,656
	1,612,789,420	1,273,256,447
Less: Accumulated depreciation	Note-8.1 785,238,006	669,616,372
	827,551,414	603,640,075

8.1 Accumulated depreciation

Leasehold Land	-	-
Office Building	2,258,472	1,991,256
Furniture and fixtures	68,243,381	80,374,826
Office equipment	494,117,922	394,648,588
Motor vehicles	58,241,059	48,092,498
Office renovation	162,377,172	144,509,204
	785,238,006	669,616,372

For details please refer to Annexure - B

8 (a) Consolidated Fixed assets including premises, furniture and fixtures

Trust Bank Limited	Note-8 827,551,414	603,640,075
Trust Bank Securities Limited	2,111,978	2,979,506
Trust Bank Investment Limited	8,825,161	10,491,315
	838,488,553	617,110,896

9 OTHER ASSETS

i) Investment in shares of subsidiary companies (In Bangladesh and outside of Bangladesh)		
In Bangladesh	3,349,999,290	3,349,999,290
Outside Bangladesh	-	-
ii) Stationery, stamps, printing materials in stock etc.;	33,232,355	30,180,841
iii) Advance Rent and Advertisement	452,339,673	336,555,869
Interest accrued on investment but not collected,		
iv) commission and brokerage receivable on shares		
and debentures and other income receivable;	Note-9.1 502,343,410	457,519,201
v) Security Deposits	11,310,164	9,295,279
Preliminary, formation and organization expenses,		
vi) renovation/ development expenses and prepaid		
expenses;	Note-9.2 34,196,718	29,043,407
vii) Branch Adjusting (net)	-	-
viii) Suspense Account	37,949,577	562,325,548
ix) Silver	-	-
x) Others	Note-9.3 1,074,783,814	651,557,987
	5,496,155,001	5,426,477,422



		31.12.2015 Taka	31.12.2014 Taka
9.1	Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;		
	Interest accrued on investments and deposits Note-9.1.1	485,055,629	439,941,356
	Commission Receivable on SP & WEDB	17,287,781	17,577,845
		502,343,410	457,519,201
9.1.1	Interest accrued on investments and deposits		
	Interest accrued on Fixed Deposits	17,246,370	12,664,983
	Interest accrued on Short Term Deposits	-	50,000
	Interest accrued on Corporate Bonds	26,707,728	9,999,111
	Income Receivable on Investment in Commercial Paper	6,055,555	-
	Interest accrued on Government Treasury Bond	435,045,976	417,227,262
		485,055,629	439,941,356
9.1.1.1	Interest/Profit accrued on Fixed Deposits/MTDR		
	Interest accrued on Fixed Deposits	17,246,370	12,664,983
	Profit accrued on MTDR	-	-
		17,246,370	12,664,983
9.2	Preliminary, formation and organization expenses, renovation / development expenses and prepaid expenses;		
	Pre-opening Expenses	-	-
	Prepaid Expenses	34,196,718	29,043,407
		34,196,718	29,043,407
9.3	Others Note-9.3.1		
	Deferred Tax Asset	86,743,623	65,661,260
	Intangible Assets	7,311,812	4,776,251
	Intl. Credit Report Agency Charge	50,797	1,367,859
	Encashment of Sanchaya patra awaiting reimbursement-Principal	339,287,444	123,542,376
	Encashment of Sanchaya patra awaiting reimbursement-Interest	474,206,269	130,925,349
	Encashment of WEDB awaiting reimbursement-Principal	10,225,706	28,122,344
	Encashment of WEDB awaiting reimbursement-Interest	17,426,429	89,988,385
	US\$ Premium Bond - Interest	1,737,593	1,578,735
	US\$ Investment Bond - Principal	3,868,550	1,575,000
	US\$ Investment Bond - Interest	7,087,284	1,875,530
	Advance against Capital Expenditure	112,233,079	160,655,304
	Clearing Adjustment	10,704,273	25,555,606
	Receivable from Exchange House	3,900,955	15,933,988
		1,074,783,814	651,557,987
9.3.1	Deferred Tax Asset Note-9.3.1.1		
	Balance as on 1 January	65,661,260	45,586,471
	Addition during the year	21,082,363	20,074,789
	Closing Balance	86,743,623	65,661,260



9.3.1 (a) Consolidated Deferred Tax Asset

Note-9.3.1

	31.12.2015 Taka	31.12.2014 Taka
Trust Bank Limited	86,743,623	20,074,789
Trust Bank Securities Limited	121,455	30,293
Trust Bank Investment Limited	1,796,246	1,374,645
	88,661,324	21,479,727

9.3.1.1 As per BRPD Circular # 11 Dated: 12 December 2011 regarding accounting for Deferred Tax policy are as follows:

Particulars	Book Value	Tax Base	(Deductible)/Taxable Temporary Differences	Deferred Tax (Assets)/Liability
Fixed Assets	827,551,414	1,044,410,470	(216,859,056)	(86,743,623)

Balance as at 31 December 2015

Deferred Tax Asset	65,661,260	45,586,471
Deferred Tax Liability	-	-
Net Deferred Tax Assets	65,661,260	45,586,471

Increase of deferred Tax Assets recognized in to the P&L Account

	21,082,363	20,074,789
--	------------	------------

Decreased of deferred Tax Liability recognized in to the P&L Account

	-	-
--	---	---

Total Deferred tax Income recognized into P&L

	21,082,363	20,074,789
--	-------------------	-------------------

Account during the period

	86,743,623	65,661,260
--	-------------------	-------------------

Trust Bank Limited recognise deferred tax asset/liability where it has identified a taxable temporary difference between an asset's or liability's carrying amount for accounting purposes and its value for tax purposes. According to BAS - 12, a deferred tax liability arises where the carrying amount of an assets or a Liability for accounting purposes is greater or less respectively than its tax value and vice versa for a deferred tax asset.

9.3.1.2 To maintain the deferred tax Asset of Tk.86,743,623 as on 31 December 2015, a deferred tax Income of Tk.21,082,363 has been made for the year ended 31 December 2015 as per BAS-12 - Income Taxes.

9.4 Break-up of Other Assets

Income generating other assets	3,349,999,290	3,349,999,290
Non income generating other asset	2,146,155,711	2,076,517,065
	5,496,155,001	5,426,516,355

9.5 As on 31 December 2015 there were no outstanding balance with inter Branch adjustment Account of the Bank, Hence no disclosure is provided here.

9.6 Provision for other asset has been made @ 50% for prepaid legal expenses against unsettled suit on reporting date as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank and shown in Note # 12.2 under Other Liability.

9 (a) Consolidated other assets

Note-9

Trust Bank Limited	5,496,155,001	5,426,477,422
Trust Bank Securities Limited	329,514,619	324,723,386
Trust Bank Investment Limited	24,491,791	26,028,153
	5,850,161,411	5,777,228,961
Less: Investment in Subsidiaries Company.	3,349,999,290	3,349,999,290
	2,500,162,121	2,427,229,671



10

BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

In Bangladesh

Call loans

Call Loan from Banks

State Bank of India
BASIC Bank Limited
Mutual Trust Bank Limited
Bank Asia Limited

31.12.2015 Taka	31.12.2014 Taka
200,000,000	-
500,000,000	-
210,000,000	-
200,000,000	-
1,110,000,000	-
Call Loan from Leasing Company	-
Call Loan from Insurance Company	-
Call Loan from Other Institutions	-
2,210,159,328	1,585,831,417
17,250,000	23,000,000
4,972,991,659	499,503,750
777,329,056	596,473,652
8,920,386	14,184,265
1,200,000,000	1,600,000,000
2,000,000,000	2,000,000,000
180,177,799	-
452,729,262	566,716,745
11,819,557,490	6,885,709,829
-	-
12,929,557,490	6,885,709,829

Outside Bangladesh

As per Bangladesh Bank letter ref # BRPD (BIC)661/14B(P)/2011-264 dated: May 31, 2011 & Guidelines on Risk Based Capital Adequacy (December 2010){ Annex A}: Unsecured Subordinated Non-Convertible Bond shown as long term borrowings.

Unsecured Subordinated Non-Convertible Bond (I &II)

Trust Bank Limited Issued Two Unsecured Subordinated Non-Convertible Bond of Taka 2,000,000,000 each for a term of Seven years (7) to strengthen the capital base of the Bank. First Bond issued on October 2011 and Second Bond issued on September 2014 on the consent of SEC vide letter ref # SEC/CI/CPLC-48/2001-339 date: May 03, 2011 & BSEC/CI/DS-211/2014/444 dated June 24, 2014 & Bangladesh Bank permission letter ref # BRPD (BIC)661/14B(P)/2011-264 dated May 31, 2011 & BRPD (BIC)661/14B(P)/2014/4723 dated July 21, 2014. The interest rate of both bonds is 12.5% per annum. 40% repayment of First Bond already paid on 30 October 2014 and 30 October 2015 @ 20% for each year to the respective Bond holders. The repayment of Second Bond will start after three years from the date of issue.

10.1 Security wise borrowings

Secured Borrowings
Unsecured Borrowings

-	-
12,929,557,490	6,885,709,829
12,929,557,490	6,885,709,829

10.2 Repayment nature wise borrowings

Repayment on Demand
Others

-	-
12,929,557,490	6,885,709,829
12,929,557,490	6,885,709,829



10.3 Remaining maturity grouping of Borrowings from other banks, financial institutions and agents Payable in Bangladesh

	31.12.2015 Taka	31.12.2014 Taka
On demand	-	-
Upto 1 month	2,200,374,466	804,347,590
Over 1 month but within 3 months	1,734,825,365	1,044,696,362
Over 3 months but within 1 Year	911,866,346	941,679,186
Over 1 Year but within 5 Years	7,682,491,313	3,294,986,691
Over 5 Years	400,000,000	800,000,000
	12,929,557,490	6,885,709,829

10 (a) Consolidated borrowings from other Banks, financial institutions and agents

Trust Bank Limited	Note-10	12,929,557,490	6,885,709,829
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		129,823,381	58,492,130
		13,059,380,871	6,944,201,959
Less: Inter company transaction		124,212,217	52,452,665
		12,935,168,654	6,891,749,294

11 DEPOSITS AND OTHER ACCOUNTS

Current / Al-wadeeah Current Accounts and other Accounts	16,904,479,838	17,676,280,741
Bills Payable	1,287,908,705	1,036,516,066
Savings Bank Deposits/Mudaraba Savings Deposits	18,521,408,929	11,743,061,753
Fixed Deposits/Mudaraba Term Deposits	114,140,397,954	94,603,273,591
	150,854,195,426	125,059,132,151

11.1 Remaining maturity grouping of Deposits and other accounts

Inside Bangladesh	Banks	Other than Banks		
On demand	102,790,570	19,756,524,777	19,859,315,347	19,769,672,365
Upto 1 month	730,712,712	24,235,419,961	24,966,132,673	18,374,572,801
Over 1 month but within 3 months		26,052,930,477	26,052,930,477	25,707,216,468
Over 3 months but within 1 Year		35,656,315,833	35,656,315,833	27,837,453,463
Over 1 Year but within 5 Years		15,874,372,446	15,874,372,446	11,833,873,884
Over 5 Years		28,445,128,650	28,445,128,650	21,536,343,170
	833,503,282	150,020,692,144	150,854,195,426	125,059,132,151
Outside Bangladesh	-	-	-	-
Total	833,503,282	150,020,692,144	150,854,195,426	125,059,132,151

11.2 Current / Al-wadeeah Current Accounts and other Accounts

Under Conventional Banking	Note-11.2.1	16,087,101,435	17,253,506,725
Under Islamic Banking	Note-11.2.2	817,378,403	422,774,016
		16,904,479,838	17,676,280,741

11.2.1 Under Conventional Banking

Current Account		8,546,690,267	10,325,428,731
Other Accounts	Note-11.2.3	7,540,411,168	6,928,077,994
		16,087,101,435	17,253,506,725



11.2.2 Under Islamic Banking

Al-wadeeah Current Accounts

Foreign Currency Deposits

Sundry Deposits

Other Accounts

31.12.2015
Taka

31.12.2014
Taka

146,427,853

110,053,890

19,439,698

23,412,573

482,724,009

177,077,682

168,786,843

112,229,871

817,378,403

422,774,016

11.2.3 Other Accounts

Foreign Currency Deposits

Interest Payable on Deposits

Sundry Deposits

4,163,290,896

3,404,754,626

1,643,820,840

1,948,960,334

1,733,299,432

1,574,363,034

7,540,411,168

6,928,077,994

11.3 Bills Payable

Under Conventional Banking

Demand Draft payable

Pay Order payable

4,238,068

4,252,416

1,279,215,282

1,032,257,982

1,283,453,350

1,036,510,398

Under Islamic Banking

Demand Draft payable

Pay Order payable

-

-

4,455,355

5,668

4,455,355

5,668

1,287,908,705

1,036,516,066

11.4 Savings Bank Deposits/Mudaraba Savings Deposits

Savings Bank Deposits

Mudaraba Savings Deposits

17,376,526,348

11,129,787,810

1,144,882,581

613,273,943

18,521,408,929

11,743,061,753

11.5 Fixed Deposits/Mudaraba Term Deposits

11.5.1 Under Conventional Banking

Fixed Deposits

Short Notice Deposits

Scheme Deposits

83,492,677,496

69,780,385,655

13,422,454,343

7,422,265,711

6,645,059,973

10,834,682,638

103,560,191,812

88,037,334,004

11.5.2 Under Islamic Banking

Mudaraba Term Deposits

Mudaraba Short Notice Deposits

Mudaraba Scheme Deposits

9,607,273,898

6,283,043,951

350,209,206

16,774,741

622,723,038

266,120,895

10,580,206,142

6,565,939,587

114,140,397,954

94,603,273,591



31.12.2015	31.12.2014
Taka	Taka

11.5.3 Fixed Deposits

	<u>Banks</u>	<u>Other than Banks</u>		
One month	-	1,434,640,849	1,434,640,849	848,117,659
Three months	-	51,218,447,272	51,218,447,272	41,259,507,790
Six months	305,722,500	3,614,036,005	3,919,758,505	3,613,925,515
One year	-	24,415,184,630	24,415,184,630	22,946,345,195
Two years	-	81,265,326	81,265,326	76,693,773
Three years	-	263,747,587	263,747,587	264,956,291
Four years	-	642,312	642,312	1,328,377
Five Years	-	48,926,348	48,926,348	50,912,657
More than five years	-	2,110,064,667	2,110,064,667	718,598,398
		83,186,954,996	83,492,677,496	69,780,385,655

11.5.3.a Mudaraba Term Deposits

	<u>Banks</u>	<u>Other than Banks</u>		
One month	-	67,834,794	67,834,794	36,119,476
Three months	-	6,439,454,129	6,439,454,129	4,659,665,664
Six months	-	1,081,543,230	1,081,543,230	507,420,818
One year	-	2,000,338,367	2,000,338,367	1,065,320,163
Three years	-	16,188,925	16,188,925	12,754,786
Five Years	-	1,914,453	1,914,453	1,763,044
More than five years	-	-	-	-
	-	9,607,273,898	9,607,273,898	6,283,043,951

11.6 Geographical location-wise concentration of Deposits & Other Accounts

Inside Bangladesh

Dhaka Division	113,448,233,066	96,537,896,245
Chittagong Division	19,396,049,921	15,754,629,796
Khulna Division	4,808,413,760	3,954,284,615
Sylhet Division	5,300,550,277	4,215,745,461
Rangpur Division	2,312,898,689	1,803,840,567
Barisal Division	316,518,001	344,790,184
Rajshahi Division	4,539,216,349	2,447,945,283
Mymensingh Division	732,315,363	-
	150,854,195,426	125,059,132,151

Outside Bangladesh

	-	-
	150,854,195,426	125,059,132,151

11.7 Sector-wise deposits

Government	8,437,616,940	6,100,594,010
Deposit money banks	833,503,282	148,871,021
Other public	7,548,217,485	5,545,496,637
Private	128,039,519,442	107,774,813,079
Foreign Currency Deposits	4,182,730,594	3,428,167,199
Interest Payable on Deposits	1,812,607,683	2,061,190,205
	150,854,195,426	125,059,132,151



11 (a) CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS

Current / Al-wadeeah Current Accounts and other Accounts

Trust Bank Limited

Trust Bank Securities Limited

Trust Bank Investment Limited

Less : Inter Company Transaction

Bills Payable

Savings Bank Deposits/Mudaraba Savings Deposits

Fixed Deposits/Mudaraba Term Deposits

31.12.2015

Taka

31.12.2014

Taka

16,904,479,838

17,676,280,741

-

-

53,211,145

108,218,523

16,957,690,983

17,784,499,264

5,839,714

4,161,210

16,951,851,269

17,780,338,054

1,287,908,705

1,036,516,066

18,521,408,929

11,743,061,753

114,140,397,954

94,603,273,591

150,901,566,857

125,163,189,464

12 OTHER LIABILITIES

Provision for Loans and Advances

Note-12.1

3,657,700,000

2,792,200,000

Provision for Investment

Note-12.2

16,676,159

106,460,510

Provision for other asset

Note-12.3

13,228,225

11,163,285

Provision for special reserve fund

Note-12.4

120,000,000

120,000,000

Rebate of Interest payable to good borrowers

Note-12.5

5,000,000

-

Unearned profit on TIB Investment

333,569,519

217,216,578

Interest Suspense Account

Note-12.6

881,025,457

585,800,675

Provision for Income Tax Less Advance Income Tax

Note-12.7

953,730,285

679,719,691

Interest Payable on Unsecured Subordinated Bonds

107,716,384

121,170,035

Accrued Expenses

345,783,298

308,428,560

Audit Fees Payable

402,500

287,500

Sundry Creditors

456,991,061

327,214,347

Compensation Fund Account

Note-12.7.2

40,593,043

-

Others

1,355,313

2,925,042

6,933,771,244

5,272,586,223

12.1 Provision for Loans and Advances/Islami Banking Investments

Specific Provision

Against Classified Loans & Advances

1,455,151,000

1,037,640,000

General Provision

Against Unclassified Loans & Advances

1,534,269,000

1,234,795,000

Against Special Mention Accounts

90,370,000

43,765,000

Against Off Balance Sheet Exposures

577,910,000

476,000,000

2,202,549,000

1,754,560,000

3,657,700,000

2,792,200,000

12.1.1 Against Classified Loans & Advances

Provision held on 1 January

1,037,640,000

907,655,000

(-) Fully provided debts written off

-

-

(+) Recoveries from previously written off debts

-

-

(+) Specific Provision for the year

417,511,000

129,985,000

(-) Recoveries and provisions no longer required

-

-

Net Charge to the Profit Loss Account

417,511,000

129,985,000

Provision held at end of year

1,455,151,000

1,037,640,000



12.1.2 Against Unclassified Loans & Advances

Provision held on 1 January
Provisions made during the year
Provision held at end of year

31.12.2015 Taka	31.12.2014 Taka
1,234,795,000	923,176,000
299,474,000	311,619,000
1,534,269,000	1,234,795,000

12.1.3 Against Special Mention Accounts

Provision held on 1 January
Provisions made during the year
Provision held at end of year

43,765,000	35,775,000
46,605,000	7,990,000
90,370,000	43,765,000

12.1.4 Required Provision against Loans and Advances

Particulars	Base for Provision	Rate		
Unclassified				
a. Consumer Financing (House Financing)	9,891,879,326	2.00%	197,837,587	182,173,694
b. Consumer Financing (Loans to Professional)	5,992,659	2.00%	119,853	89,522
c. Consumer Financing (Other than a & b)	5,165,278,096	5.00%	258,263,905	214,370,228
d. Small & Medium Enterprise Financing	6,027,373,376	0.25%	15,068,433	12,584,669
e. Loans to BHs/ MBs/ Sds against Shares etc.	171,405,079	2.00%	3,428,102	2,669,241
f. Short Term Agriculture & Micro Credit	10,101,625	2.50%	252,541	531,636
g. All other Credit	99,057,947,886	1.00%	990,579,479	810,742,391
	120,329,978,047		1,465,549,900	1,223,161,381
Special Mention Account				
a. Consumer Financing (House Financing)	318,361,519	2.00%	6,367,230	7,340,221
b. Consumer Financing (Loans to Professional)	-	2.00%	-	-
c. Consumer Financing (Other than a & b)	88,416,758	5.00%	4,420,838	3,159,118
d. Small & Medium Enterprise Financing	166,804,872	0.25%	417,012	456,816
e. Loans to BHs/ MBs/ Sds against Shares etc.	-	2.00%	-	-
f. Short Term Agriculture & Micro Credit	-	2.50%	-	-
g. All other Credit	5,481,680,808	1.00%	54,816,808	32,791,659
	6,055,263,957		66,021,888	43,747,814
Classified				
a. Substandard				-
i. Short Term Agri Credit & Micro Credit	792,122	5.00%	39,606	45,958
ii. Other than Short Term Agri Credit & Micro Credit	278,353,441	20.00%	55,670,688	30,557,251
b. Doubtful				-
i. Short Term Agri Credit & Micro Credit	113,290	5.00%	5,665	-
ii. Other than Short Term Agri Credit & Micro Credit	180,118,550	50.00%	90,059,275	37,930,161
c. Bad/Loss	1,309,360,657	100.00%	1,309,360,657	969,107,142
	1,768,738,060		1,455,135,891	1,037,640,512
Additional 1% provision for restructured loans as per BRPD Circular No. - 04 dated 29 January 2015	-		24,322,390	-
	128,153,980,064		3,011,030,069	2,304,549,707

12.1.5 General Provision for Off Balance Sheet Exposures

Provision held on 1 January
Provisions made during the year

476,000,000	316,748,000
101,910,000	159,252,000
577,910,000	476,000,000



12.1 (a) Consolidated General Provision for Loans and Advances

Trust Bank Limited

Trust Bank Securities Limited

Trust Bank Investment Limited

31.12.2015 Taka	31.12.2014 Taka
2,202,549,000	1,754,560,000
-	-
286,100,005	664,799,933
2,488,649,005	2,419,359,933

12.2 Provision for Investment

Cost price of holding of quoted shares and mutual funds (both close end and open end) as on 31 December 2015 is Tk. 508,242,780 whereas the market of these securities is Tk. 382,304,654 showing a loss on fall of market price Tk. 125,938,127.

As per DOS circular letter No. 03 issued on 12 March 2015, bank has to keep provision on mutual funds on the basis of

- Cost Price minus Market value or 85% of NAV at Market Price for close end mutual funds and
- Cost Price minus 95% of NAV at Market Price for open end mutual funds

Consequently, the required provision as per DOS circular letter No. 03 dated 12 March 2015 is Tk. 14,272,439.

Details workings relating to provision on Investment is given below:

Sl.	Name of the Company	no. of shares	Average cost rate	Investment Price	Market rate as on 31-Dec-15	NAV at Market Value for MF	85% / 95% of NAV of MF	Applicable Rate for Provision	Market Price	Aggregate Net off (Loss)/Gain	Value of MF/ Share for Provision	Required Provision Excess/ (Shortage)
1	EBL NRB Mutual Fund	6,121,372	8.02	49,070,000	4.10	10.47	8.90	8.90	25,097,625	(23,972,375)	54,477,150	
2	First Bangladesh Fixed Income Fund	31,706,902	7.74	245,419,417	6.30	10.81	9.19	9.19	199,753,483	(45,665,934)	291,338,869	
3	Popular Life First Mutual Fund	1,244,334	8.04	10,000,000	4.20	10.74	9.13	9.13	5,226,203	(4,773,797)	11,359,525	
4	Trust Bank 1St Mutual Fund	4,656,430	7.90	36,789,728	4.40	10.76	9.15	9.15	20,488,292	(16,301,436)	42,587,709	
5	LR Global Bangladesh Mutual Fund One	6,554,016	9.64	63,205,696	5.50	10.27	8.73	8.73	36,047,088	(27,158,608)	57,213,283	(5,992,413)
6	Capital & Asset Portfolio Management Unit Fund	100,000	100.00	10,000,000	100.00	103.01	97.86	97.86	10,000,000	-	9,785,950	(214,050)
7	IBBL Mudaraba Perpetual Bond	55,915	966.67	54,051,240	981.50				54,880,573	829,333	54,880,573	829,333
8	Islami Bank Bangladesh Ltd.	214,224	33.85	7,250,729	27.80				5,955,427	(1,295,302)	5,955,427	(1,295,302)
9	Power Grid Company of Bangladesh Ltd.	125,350	58.36	7,314,860	45.90				5,753,565	(1,561,295)	5,753,565	(1,561,295)
10	Prime Bank Ltd.	61,600	32.68	2,012,905	18.10				1,114,960	(897,945)	1,114,960	(897,945)
11	Pubali Bank Ltd.	23,625	42.23	997,688	21.60				510,300	(487,388)	510,300	(487,388)
12	Square Pharmaceuticals Ltd.	3,234	182.32	589,631	253.70				820,466	230,835	820,466	230,835
13	Summit Power Ltd.	296,828	48.43	14,375,320	39.70				11,784,072	(2,591,248)	11,784,072	(2,591,248)
14	Social Islami Bank Ltd.	300,000	20.38	6,113,610	14.40				4,320,000	(1,793,610)	4,320,000	(1,793,610)
15	Padma Oil Co. Ltd.	3,000	350.65	1,051,956	184.20				552,600	(499,356)	552,600	(499,356)
	Total			508,242,780					382,304,654	(125,938,126)	552,454,449	(14,272,439)

12.2.1 Provision for Investment

Balance on 1 January

Provisions made for Investment in Shares during the year

Provision for decreased NAV of Trust Bank Securities Ltd

106,460,510	155,118,843
(92,188,069)	(48,658,333)
14,272,441	106,460,510
2,403,718	-
16,676,159	106,460,510



12.3 Provision for other asset

Balance on 1 January
Provisions made during the year

31.12.2015 Taka	31.12.2014 Taka
11,163,285	12,795,077
2,064,940	(1,631,792)
13,228,225	11,163,285

12.4 Provision for special reserve fund

Special Reserve Fund (SRF) was formed for Corporate Social Responsibility (CSR) activities in the year 2008. CSR activities includes humanitarian belief, disaster management, healthcare, education, training, green initiatives and environmental degradation. As per Bangladesh Bank GBCSRD Circular no. 04 dated 09 July 2015, at the beginning of the year, the fund has been allocated for education, Healthcare, disaster management and for other activities @ 30%, 50%, 10% and 10% respectively and expensed over the year accordingly.

12.5 Rebate of interest payable to good borrowers

Rebate of interest payable to good borrowers has been accounted for according to Bangladesh Bank Circular Letter no. 03 dated 04 February 2016 relating to rebate of interest to good borrowers.

12.6 Interest Suspense Account

Balance on 1 January
Amount transferred during the year
Amount recovered during the year
Amount written off / waived during the year

585,919,635	384,874,874
1,297,078,785	426,065,639
(927,319,347)	(210,591,806)
(74,653,616)	(14,548,032)
881,025,457	585,800,675

12.7 Provision for Income Tax Less Advance Income Tax

Provision for Income Tax

Balance on 1 January
Provisions made during the year
Provision for Doubtful Income of Islamic Banking Note-12.7.2
Settlement for previous year(s)

3,201,754,103	3,867,500,000
1,605,000,000	1,420,000,000
28,326,082	-
-	(2,085,745,897)
4,835,080,185	3,201,754,103

Less: Advance Income Tax

Balance on 1 January
Paid during the year
Settlement for previous year(s)

2,522,034,412	3,644,829,078
1,359,315,488	962,951,231
-	(2,085,745,897)
3,881,349,900	2,522,034,412

Net Closing Balance

953,730,285	679,719,691
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12.7.1 Provision for current tax of Tk.1,605,000,000 has been made @ 40% on Business Income, @ 20% on Dividend Income and @ 10% on capital gain on sale of shares of the accounting profit made by the Bank during the year after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.

12.7.2 Compensation Fund Account

Compensation Realized
Less : Income Tax

Less : Disbursement from the fund

69,789,825	-
28,326,082	-
41,463,743	-
870,700	-
40,593,043	-



31.12.2015
Taka

31.12.2014
Taka

Islamic Banking is a trade-based mode of banking where compliance of shariah guidelines is the pre-condition for its legitimacy. In addition to the prohibition of the interest & classification of business activities between lawful (halal) & un-lawful (haram), Sharia also provides guidelines of business process & transaction. Any income generated from trading or investments without conforming to these Sharia instructions are considered un-lawful and termed as "Doubtful Income" in the terminology of Islamic Banking.

However, since the "Doubtful Income" is not an 'Income' – as such the nomenclature has already been changed as "Compensation" instead of "Doubtful Income".

12.7 (a) Consolidated tax expenses

Trust Bank Limited	Note-12.6	1,605,000,000	1,420,000,000
Trust Bank Securities Limited		2,890,922	2,174,004
Trust Bank Investment Limited		56,500,000	73,000,000
		1,664,390,922	1,495,174,004

12 (a) Consolidated other liabilities

Trust Bank Limited	Note-12	6,933,771,244	5,272,586,223
Trust Bank Securities Limited		21,379,416	14,047,035
Trust Bank Investment Limited		1,267,807,707	2,089,851,120
		8,222,958,367	7,376,484,378
Less: Inter company transaction		-	-
		8,222,958,367	7,376,484,378

13 CAPITAL

13.1 Authorized Capital

1,000,000,000 Ordinary shares of Tk. 10 each		10,000,000,000	10,000,000,000
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13.2 Issued, Subscribed and Paid Up Capital

116,667,000	Ordinary shares of Tk. 10 each issued for cash	1,166,670,000	1,166,670,000
11,666,700	Ordinary shares of Tk. 10 each issued bonus shares	116,667,000	116,667,000
25,666,740	Ordinary shares of Tk. 10 each issued for right 1R:5	256,667,400	256,667,400
30,800,080	Ordinary shares of Tk. 10 each issued bonus shares	308,000,800	308,000,800
36,960,100	Ordinary shares of Tk. 10 each issued bonus shares	369,601,000	369,601,000
44,352,120	Ordinary shares of Tk. 10 each issued bonus shares	443,521,200	443,521,200
26,611,274	Ordinary shares of Tk. 10 each issued bonus shares	266,112,740	266,112,740
53,222,550	Ordinary shares of Tk. 10 each issued for right 1R:5	532,225,500	532,225,500
34,594,656	Ordinary shares of Tk. 10 each issued bonus shares	345,946,560	345,946,560
45,664,946	Ordinary shares of Tk. 10 each issued bonus shares	456,649,460	456,649,460
42,620,616	Ordinary shares of Tk. 10 each issued bonus shares	426,206,160	-
		4,688,267,820	4,262,061,660

13.3 Capital Adequacy Ratio

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 18 dated 21 December 2014 relating to implementation of Basel III in Bangladesh, required capital, available core capital and supplementary capital of the Bank as on 31 December 2015 is shown below:



13.3.1 Capital Adequacy Ratio under SOLO basis

Common Equity Tier I (Going-concern capital)

	31.12.2015 Taka	31.12.2014 Taka
Paid up Capital	4,688,267,820	4,262,061,660
Share Premium Account	-	75,576,040
Statutory Reserve	3,333,692,338	2,709,042,761
Retained Earnings	1,432,222,212	1,081,274,744
	9,454,182,370	8,127,955,205

Less : Regulatory Adjustments

Deferred Tax - Assets	86,743,623	-
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Total Common Equity Tier-1 Capital

	9,367,438,747	8,127,955,205
--	----------------------	----------------------

Additional Tier I Capital

	-	-
--	---	---

Tier II Capital (Gone-Concern Capital)

General Provision (maximum 1.25% of Credit RWA)	1,422,285,000	1,754,560,000
Subordinated Bond	2,800,000,000	2,438,386,562
Revaluation reserves	273,661	273,661
	4,222,558,661	4,193,220,223

Less : Regulatory Adjustments

Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)

54,732	-
--------	---

Total Tier II Capital Available

4,222,503,929	4,193,220,223
----------------------	----------------------

Maximum Limit of Tier II Capital (Tier II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET I, whichever is higher)

8,326,716,302	-
---------------	---

Excess Amount over Maximum Limit of Teir II

-	-
---	---

Total Admissible Tier-2 Capital

4,222,503,929	4,193,220,223
----------------------	----------------------

A. Total Eligible Capital (Tier-I + Tier-II)

13,589,942,676	12,321,175,428
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B. Total Risk Weighted Assets (RWA)

Credit Risk Weighted Assets	113,782,800,000	99,589,100,000
Market Risk Weighted Assets	2,773,200,000	1,307,800,000
Operational Risk Weighted Assets	8,864,500,000	6,513,500,000
	125,420,500,000	107,410,400,000

C. Required Capital based on RWA @ 10% on B

12,542,050,000	10,741,040,000
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D. Surplus Capital as per Bank weighted Assets (A - C)

1,047,892,676	1,580,135,428
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Capital Adequacy Ratio

Tier I capital to RWA	7.47%	7.57%
Supplementary Capital to RWA	3.37%	3.90%
	10.84%	11.47%



13.3 (a) Capital Adequacy Ratio under Consolidated basis

Common Equity Tier I (Going-concern capital)

	31.12.2015 Taka	31.12.2014 Taka
Paid up Capital	4,688,267,820	4,262,061,660
Minority Interest	789	789
Share Premium Account	-	75,576,040
Statutory Reserve	3,333,692,338	2,709,042,761
Retained Earnings	1,766,708,712	1,414,566,525
	9,788,669,659	8,461,247,775

Less: Regulatory Adjustments

Deferred Tax-Assets	88,661,324	-
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Total Common Equity Tier-1 Capital

	9,700,008,335	8,461,247,775
--	----------------------	----------------------

Additional Tier I Capital

Tier II Capital (Gone-Concern Capital)

General Provision (Maximum 1.25% of Credit RWA)	1,422,087,500	2,419,359,933
Subordinated Bond	2,800,000,000	2,538,374,333
Revaluation Reserves	273,661	273,661
	4,222,361,161	4,958,007,927

Less : Regulatory Adjustments

Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)

	54,732	-
--	--------	---

Total Tier II Capital Available

Maximum Limit of Tier II Capital (Tier II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET I, whichever is higher)

	8,622,337,409	-
--	---------------	---

Excess Amount over Maximum Limit of Tier II

	-	-
--	---	---

Total Admissible Tier-2 Capital

A. Total Eligible Capital (Tier-I + Tier-II)

	13,922,314,764	13,419,255,702
--	-----------------------	-----------------------

B. Total Risk Weighted Assets (RWA)

Credit Risk Weighted Assets	113,767,000,000	101,430,300,000
Market Risk Weighted Assets	5,157,800,000	2,834,500,000
Operational Risk Weighted Assets	9,845,400,000	8,195,300,000
	128,770,200,000	112,460,100,000

C. Required Capital based on RWA @ 10% on B

	12,877,020,000	11,246,010,000
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D. Surplus Capital as per Bank weighted Assets (A - C)

	1,045,294,764	2,173,245,702
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Capital Adequacy Ratio

Core Capital to RWA	7.53%	7.52%
Supplementary Capital to RWA	3.28%	4.41%
	10.81%	11.93%



31.12.2015
Taka

31.12.2014
Taka

Total Risk Weighted Assets (RWA)

Risk Weighted Assets (RWA) has been calculated considering the Credit risk, Market Risk and Operational risk as per Guidelines on Risk Based Capital Adequacy - Revised Regulatory Framework for Banks in line with Basel III issued by Bangladesh Bank vide BRPD Circular no. 18 dated 21 December 2014.

13.4 Leverage Ratio under SOLO basis

A. Tier-1 Capital - considering all regulatory adjustments	9,367,438,747	-
B. On- Balance Sheet Exposure	178,774,421,689	-
C. Off-Balance Sheet Exposure	21,140,412,298	-
D. Total Deduction from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	86,743,623	-
E. Total Exposure (B+C-D)	199,828,090,364	-
Leverage Ratio (A/E)*100	4.69%	-

13.4 (a) Leverage Ratio under Consolidated basis

A. Tier-1 Capital - considering all regulatory adjustments	9,700,008,335	-
B. On- Balance Sheet Exposure	180,451,078,696	-
C. Off-Balance Sheet Exposure	21,140,412,298	-
D. Total Deduction from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	88,661,324	-
E. Total Exposure (B+C-D)	201,502,829,670	-
Leverage Ratio (A/E)*100	4.81%	-

13.4 Percentage of shareholdings at the closing date

	Amount (in Taka)		Percentage (%)	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Sponsors	2,812,920,260	2,557,483,700	60.00%	60.00%
Financial Institutions	987,405,120	916,534,550	21.06%	21.50%
Foreign Investors	25,937,970	7,959,070	0.55%	0.19%
Non-Resident Bangladeshi	13,070,500	13,936,050	0.28%	0.33%
General Public	848,933,970	766,148,290	18.11%	17.99%
Total	4,688,267,820	4,262,061,660	100.00%	100.00%

13.5 Shareholding Range on the basis of shareholdings as on 31 December 2015

Shareholding Range			No. of Sh. Holders	Number of Shares	%
1	to	500	9,415	1,553,975	0.33%
501	to	5,000	12,589	21,867,529	4.66%
5,001	to	10,000	1,110	7,935,451	1.69%
10,001	to	20,000	559	7,834,660	1.67%
20,001	to	30,000	205	4,958,497	1.06%
30,001	to	40,000	74	2,577,343	0.55%
40,001	to	50,000	68	3,076,402	0.66%
50,001	to	100,000	119	8,759,835	1.87%
100,001	to	1,000,000	115	32,279,171	6.89%
1,000,001	and More		31	377,983,919	80.62%
Total			24,285	468,826,782	100.00%



13 (a) MINORITY INTEREST

Share Capital (7 nos. shares of Trust Bank Investment Limited @ Tk. 100 each & 1 nos Share of TBSL)

Balance on 1 January

Profit earned during the year

31.12.2015 Taka	31.12.2014 Taka
789	789
-	-
-	-
-	-
789	789

14 STATUTORY RESERVE

Balance on 1 January

Reserve made during the year

Closing Balance

2,709,042,761	2,169,218,210
624,649,577	539,824,551
3,333,692,338	2,709,042,761

14.1 Reserve for current period was made @ 20% on the net profit before tax under section 24 of The Bank Companies Act 1991.

15 OTHER RESERVE

Revaluation Reserve

Balance on 1 January

Reserve made/(adjusted) during the year

Closing Balance

547,322	37,023,453
57,089,172	(36,476,131)
57,636,494	547,322

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity and must be amortized at the end of the year before maturity. Investments classified in the category of 'Held for Trading' are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week. The increase in case of amortization of Investment under 'Held to maturity' and any change in the fair value in case of Investment under 'held for Trading' is to be accounted for in the 'Statement of changes in Equity' under the head Other Reserve as Surplus/Deficit on revaluation of investment.

16 RETAINED EARNINGS

Balance on 1 January

Issue of Bonus Shares

Cash Dividend

Net Profit for the year transferred from Profit and Loss Account

Less: Transferred to Statutory Reserve

Closing Balance

1,081,274,744	321,901,750
(350,630,120)	-
(213,103,083)	-
517,541,541	321,901,750
1,539,330,248	1,299,197,545
624,649,577	539,824,551
914,680,671	759,372,994
1,432,222,212	1,081,274,744

16 (a) Consolidated retained earnings

Trust Bank Limited

Trust Bank Securities Limited

Trust Bank Investment Limited

Less minority interest

Closing Balance

Note-16

1,432,222,212	1,081,274,744
(2,403,718)	(3,598,437)
336,890,297	336,890,297
1,766,708,791	1,414,566,604
79	79
1,766,708,712	1,414,566,525



17 CONTINGENT LIABILITIES

17.1 Acceptances and endorsements

Acceptance Bills - Local
Acceptance Bills - Foreign
Acceptance Liabilities - Back to Back L/C

31.12.2015 Taka	31.12.2014 Taka
3,680,023,975	2,256,512,498
12,077,280,712	10,759,976,629
1,652,892,755	1,092,900,448
17,410,197,442	14,109,389,575

17.2 Letters of Guarantee

Letters of Guarantee - Local
Letters of Guarantee -Foreign

12,490,109,812	7,754,565,170
33,829,433	27,409,428
12,523,939,245	7,781,974,598

17.2.1 Money for which the bank is contingently liable in respect of guarantees given favoring :

Directors or Officers
Government
Banks and other financial institutions
Others

-	-
2,343,821,259	2,462,730,490
924,112,787	1,779,568,126
9,256,005,199	3,539,675,982
12,523,939,245	7,781,974,598

17.3 Irrevocable Letter of Credits

Letter of Credit - Local
Letter of Credit - Foreign
Letter of Credit - Back to Back L/C
Letter of Credit - Usance (Foreign)
Letter of Credit - Back to Back (EDF) - Foreign

436,644,395	1,008,695,142
14,380,095,826	13,124,494,317
2,734,854,782	2,843,298,253
4,037,315,394	5,039,946,908
455,909,359	48,337,000
22,044,819,756	22,064,771,620

17.4 Bills for Collection

Outward Bills for Collection
Local Documentary Bill for Collection
Foreign Documentary Bills for Collection

18,363,023	13,555,274
2,491,670,809	2,123,136,835
3,298,055,497	1,504,517,401
5,808,089,329	3,641,209,510

18 INCOME STATEMENTS

Income:

Interest/Profit, discount and similar income
Dividend income
Fees, commission and brokerage
Gains less losses arising from dealing in securities
Gains less losses arising from investment securities
Gains less losses arising from dealing in foreign currencies
Income from non-banking assets
Other operating income
Profit less losses on interest rate changes

15,878,804,092	14,228,254,836
26,692,707	44,739,603
1,241,011,066	981,180,763
4,863	3,339,552
-	-
-	-
-	-
458,052,481	393,955,329
-	-
17,604,565,209	15,651,470,075



	31.12.2015 Taka	31.12.2014 Taka
Expenses:		
Interest / profit paid on deposits, borrowings etc.,	10,075,225,928	9,673,233,639
Losses on loans and advances	-	-
Administrative expenses	2,961,094,171	2,104,846,974
Other operating expenses	602,074,731	558,774,595
Depreciation on banking assets	65,141,905	56,936,236
	13,703,536,735	12,393,791,444
	3,901,028,474	3,257,678,631
19 INTEREST INCOME		
19.1 Interest Income under Conventional banking		
Interest from Loans and Advances		
Interest on Repair & Recon. of Dwelling House (RRDH)	331,595,996	234,948,012
Interest on Consumer Durable Scheme	104,493	161,207
Interest on Marriage Loans	4,090,756	3,169,951
Interest on Car Loans	9,928,629	11,011,411
Interest on House Building Loans	452,846,056	460,172,595
Interest on Term Loans	5,719,263,277	3,940,828,247
Interest on Other Loans	2,299,083,674	2,692,033,140
Interest on SME Loan	419,701,420	292,230,407
Interest on PAD - EDF	79,535,247	55,363,757
Interest on Staff Loan	42,429,246	34,743,991
Interest on LTR	948,521,576	1,033,077,604
Interest on Payment Against Documents (PAD)	31,373,372	37,583,910
Interest on Cash Credit	233,827,235	250,819,903
Interest on Cash Collateral	185,734,698	159,235,975
Interest on Overdraft	830,872,987	673,061,003
Interest on SOD	1,080,274,258	1,292,647,953
Interest on Inland Bills Purchased and Discounted	110,286,421	258,923,138
Interest on Foreign Bills Purchased and Discounted	32,483,576	10,695,791
	12,811,952,917	11,440,707,995
19.2 Interest from Banks and Other Financial Institutions		
Interest on FDR Account	16,527,685	68,423,335
Interest on Bangladesh Bank Foreign Currency Accounts	-	905,704
Interest on SND Account	2,077,131	2,401,009
Interest on Call Deposits	30,505,486	133,814,792
	49,110,302	205,544,840
19.3 Interest received from Foreign Banks		
	-	1,370,491
	12,861,063,219	11,647,623,326
19.4 Profit under Islamic banking		
Profit on Bai-Muajjal	504,539,784	404,559,745
Profit on HPSM-Capital Machinery	116,496,228	121,151,000
Profit on IHSAN Apartment Purchase Scheme	4,228,134	3,271,252
Profit on BARAKAT Home Construction Scheme	5,307,488	4,058,789



	31.12.2015 Taka	31.12.2014 Taka
Profit on BARAKAT Car Scheme	483,294	1,335,514
Profit on HPSM- Real Estate	35,589,918	16,708,141
Profit on Murabaha TR	154,399,139	81,262,996
Profit on Bai-Salam	5,614,480	9,970,214
Profit on Murabaha Import Bills (MIB)	2,645,881	1,750,911
Profit on TIB House Building Scheme-HBL (RM)	7,459,482	5,955,202
Profit on TIB Household Durable Scheme(Household Durable)	287,465	193,013
Profit on MIB - EDF - TIB	18,054,256	5,028,862
Profit on HPSM General	84,531,070	39,434,942
Profit on Barkat Doctors Scheme	44,460	-
Profit on PAD - EDF	-	1,117,332
Profit on Musharaka agt. IBP	45,007,400	42,026,995
Profit Suspense - Musharaka IBP USD	4,365,458	-
	989,053,937	737,824,908

19.5 Profit from Banks and Other Financial Institutions

Profit on Mudaraba Term Deposits	49,780,951	50,253,664
	1,038,834,888	788,078,572
Less : Rebate for the good borrowers	5,000,000	-
	13,894,898,107	12,435,701,898

The Bank has transferred interest accrued during the year on "Sub-Standard", "Doubtful" or "Bad/Loss" to Interest Suspense Account instead of Interest Income Account in line with BRPD Circular No. 14 dated 23 September 2012. The Bank has also transferred any unrealized accrued interest on rescheduled loans to Interest Suspense Account instead of Interest Income Account in line with BRPD Circular No. 14 dated 23 September 2012.

To comply with the aforementioned circulars, the Bank had transferred a sum of Tk. 295,224,782 to Interest Suspense Account during the year, resulting in total Interest Suspense of Tk. 881,025,457 as at 31 December 2015.

19 (a) Consolidated Interest Income/profit on investment

Trust Bank Limited	Note-19	13,894,898,107	12,435,701,898
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		104,150,509	166,648,159
		13,999,048,616	12,602,350,057
Less : Inter Company Transaction		2,283,276	47,228,875
		13,996,765,340	12,555,121,182

20 INTEREST PAID ON DEPOSITS AND BORROWINGS

20.1 Interest paid on deposits

Interest on SND Account	393,614,158	229,505,166
Interest on FDR Account	6,507,257,034	6,716,637,650
Interest on Foreign Currency Deposit	42,427,114	38,663,324
Interest on Savings Account	401,314,077	362,439,137
Interest on Scheme Deposits	1,349,151,725	1,207,784,333
	8,693,764,108	8,555,029,610



20.2 Profit paid on Islamic Banking Deposits

Profit Paid on Mudaraba Savings Account
Profit Paid on Mudaraba SND
Profit Paid on Mudaraba TDR
Profit Paid on Mudaraba MTDR - 1 Month
Profit Paid on TBL Barakat Hajj Deposit Scheme
Profit on Mudaraba Kotipati Scheme (MKS)
Profit on Mudaraba Millionaire Scheme (MMS)
Profit on Mudaraba Money Double Scheme (MMDS)
Profit Paid on DPMSA
Profit Paid on TEMSA
Profit Paid on Mudaraba Monthly Savings Scheme
Profit paid on Trust Bank Mudaraba Cash Waqf
Profit Paid on - Fc Deposits
Profit paid on MMPS
Profit paid on TIB Payroll

31.12.2015 Taka	31.12.2014 Taka
33,476,191	22,383,726
1,511,582	464,826
650,524,231	524,838,261
10,673,899	1,380,954
487,784	357,137
4,330,532	1,799,706
6,216,866	2,205,375
4,929,248	1,997,723
63,800	41,246
1,500,154	949,657
18,723,667	12,880,343
40,169	274
28	-
15,500,044	540,197
36,869	-
748,015,064	569,839,425

20.3 Interest paid to Foreign Banks

-	-
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20.4 Interest paid on borrowings

20.4.1 Under Conventional Banking

Interest on Call Deposits.
Interest on Repo
Interest on Other Borrowings

40,008,528	39,572,583
20,268,550	28,620,878
565,750,258	478,782,478
626,027,336	546,975,939

20.4.2 Under Islamic Banking

Profit paid on Bangladesh Bank Borrowings

7,419,420	1,388,665
10,075,225,928	9,673,233,639

20 (a) Consolidated Interest / profit paid on deposits, borrowings etc. on investment

Trust Bank Limited
Trust Bank Securities Limited
Trust Bank Investment Limited

Note-20

10,075,225,928	9,673,233,639
-	-
3,726,769	49,595,849
10,078,952,697	9,722,829,488
2,283,276	47,228,875
10,076,669,421	9,675,600,613

Less : Inter Company Transaction

21 INCOME FROM INVESTMENTS

21.1 Income from Conventional Banking

Income from Treasury bills
Income on Bangladesh Bank Bill
Income from Treasury bonds
Income from Reverse REPO
Income from Corporate Bonds
Dividend Income
Income on Investment in Commercial Paper
Gain from sales of shares

368,143,395	502,281,502
11,615,150	-
1,478,239,726	1,234,781,324
24,780,503	1,035,616
54,464,718	48,901,298
19,664,892	36,157,933
43,554,861	-
4,863	-
2,000,468,108	1,823,157,673



21.2 Income from Islamic Banking Investments

Dividend Income	7,027,815	8,581,670
Profit on Bangladesh Govt. Islamic Investment Bond	3,107,632	5,553,198
Profit on Sale of Shares	-	3,339,552

31.12.2015 Taka	31.12.2014 Taka
7,027,815	8,581,670
3,107,632	5,553,198
-	3,339,552
10,135,447	17,474,420
2,010,603,555	1,840,632,093

21(a) Consolidated Income from Investment

Trust Bank Limited	2,010,603,555	1,840,632,093
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	147,022,895	49,578,035

2,010,603,555	1,840,632,093
-	-
147,022,895	49,578,035
2,157,626,450	1,890,210,128

22 Commission, exchange and brokerage

Demand Draft, Money Transfer, Telegraphic Transfer, Pay Order etc.	5,732,947	5,344,081
Bills	30,203,060	27,280,721
Letter of Guarantees	175,351,630	90,833,440
Letter of Credits	281,308,136	304,469,612
Foreign Remittances	7,254,001	6,468,478
Commission on Sale of Government Securities	18,562,213	19,007,658
Fund Transfer Commission	11,000	10,400
Commission on Sale & Purchase of Shares	60,422	403,647
Under writing Commission	315,717	2,292,083
Acceptance Commission	191,631,363	146,651,555
Foreign Correspondence Charges	2,565	1,120
Miscellaneous Commission	35,607,331	28,827,260
	746,040,385	631,590,055
Foreign Currency Exchange Gain	494,970,681	349,590,708
Brokerage	-	-

5,732,947	5,344,081
30,203,060	27,280,721
175,351,630	90,833,440
281,308,136	304,469,612
7,254,001	6,468,478
18,562,213	19,007,658
11,000	10,400
60,422	403,647
315,717	2,292,083
191,631,363	146,651,555
2,565	1,120
35,607,331	28,827,260
746,040,385	631,590,055
494,970,681	349,590,708
-	-
1,241,011,066	981,180,763

22 (a) Consolidated Commission, exchange and brokerage

Trust Bank Limited	Note-22	1,241,011,066	981,180,763
Trust Bank Securities Limited		15,163,150	10,578,473
Trust Bank Investment Limited		387,382	1,417,577

1,241,011,066	981,180,763
15,163,150	10,578,473
387,382	1,417,577
1,256,561,598	993,176,813

23 OTHER OPERATING INCOME

Locker Rent	1,684,050	1,611,500
Swift Charge (Net)	46,818,628	36,985,341
Postage Charge (Net)	4,091,980	1,086,571
Sale Proceed of Forms	889,192	991,770
Service Charges	65,874,377	56,203,110
Service Compensation	767,592	1,473,116
Front End Fees	45,352,260	66,173,396
Notice Pay	1,734,918	2,574,590
Closing Charge	1,336,548	1,286,408



	31.12.2015 Taka	31.12.2014 Taka
Sale Proceed of Cheque books	139,000	129,500
Income form Mobile Banking	350,337	519,942
O/W Cheque Processing Fees	619,641	546,670
EFTN Org Processing Fees	23	508
Service Charge - Transaction Agent (TA)	648	57
Introductory Commission	471	-
Syndication Fees	9,059,526	3,025,000
Income through Credit & ATM Card	59,464,719	44,421,235
Profit on sale of Fixed Assets	-	2,274,732
Insurance Premium Income	23,651	19,854
SMS Notification Fees	1,400,945	403,368
Service Charges on e-GP	2,071,467	2,103,718
Service Charge on Passport	4,900	2,700
Miscellaneous Foreign Exchange Income	117,720,629	97,448,141
Trustee Fees	2,200,000	1,000,000
Service Charge on BRTA Transaction	1,823,499	645,000
Income from Priority Pass	8,226	-
Charges for Footage	3,000	-
Miscellaneous Earnings	94,612,254	73,029,094
	458,052,481	393,955,321
23 (a) Consolidated other operating income		
Trust Bank Limited	Note-23 458,052,481	393,955,321
Trust Bank Securities Limited	1,489,925	1,359,794
Trust Bank Investment Limited	71,195,566	119,603,728
	530,737,972	514,918,843
24 Salaries and allowances		
Basic Salary	639,604,181	499,761,680
House Rent Allowances	319,784,582	249,704,895
Conveyance Allowances	35,282,685	27,077,250
Medical Allowances	130,936,800	98,015,989
Leave Fare Assistances	51,994,299	39,631,342
Leave Encashment	4,986,197	4,291,433
Utility Allowances	3,679,916	3,543,616
Telephone Allowance	341,733	330,092
Club Membership Allowance	1,268,667	1,204,098
Contractual Staffs Salary	9,515,978	10,774,060
Managers' Charge Allowance	2,550,266	2,182,776
Key Holding Allowance	1,165,500	1,049,882
Festival Bonus	106,138,000	91,810,900
Incentive Bonus	267,537,075	235,400,000
Bank's Contribution to Provident Fund	60,445,402	47,346,630
Bank's Contribution to Superannuation Fund	4,862,917	4,205,667
Bank's Contribution to Employees' Gratuity Fund	348,345,170	80,338,108
	1,988,439,368	1,396,668,418



24 (a) Consolidated salaries and allowances

	31.12.2015 Taka	31.12.2014 Taka
Trust Bank Limited	1,988,439,368	1,396,668,418
Trust Bank Securities Limited	6,412,055	4,856,691
Trust Bank Investment Limited	41,490,215	34,470,297
	2,036,341,638	1,435,995,406

Note-24

25 RENT, TAXES, INSURANCE, ELECTRICITY, ETC.

Rent	403,707,267	212,089,243
Electricity and Lighting	58,678,271	47,858,866
Insurance	102,508,844	86,829,679
Rates, Taxes & Excise Duty	496,763	504,585
Fees & Renewals	8,463,670	12,018,901
Generator Fuel	5,037,779	5,145,345
Gas/Water Bill	1,614,436	1,811,199
	580,507,030	366,257,818

25 (a) Consolidated rent, taxes, insurance, electricity, etc.

Trust Bank Limited	580,507,030	366,257,818
Trust Bank Securities Limited	904,229	558,351
Trust Bank Investment Limited	12,702,861	9,672,123
	594,114,120	376,488,292

Note-25

26 POSTAGE, STAMPS, TELECOMMUNICATION, ETC.

Stamp	488,597	174,728
ATM Connectivity Charges	738,980	1,074,504
ATM Maintenance Charges	2,345,605	5,126,638
Online Expenses	105,313,401	90,716,787
ATM Card Expenditure	-	945,370
Internet Charge	1,517,532	1,166,808
Router Charge	2,454,168	2,439,361
Telegram, Telex, Telephone, Trunk Call etc. (Net)	12,133,241	9,551,302
	124,991,524	111,195,498

26 (a) Consolidated postages, stamps, telecommunication, etc.

Trust Bank Limited	124,991,524	111,195,498
Trust Bank Securities Limited	827,237	845,129
Trust Bank Investment Limited	1,475,681	1,355,298
	127,294,442	113,395,925

Note-26

27 STATIONERY, PRINTING, ADVERTISEMENT, ETC.

Printing and Stationery (Net)	59,369,213	54,326,418
Publicity and Advertisement	9,916,653	24,544,740
	69,285,866	78,871,158



		31.12.2015 Taka	31.12.2014 Taka
27 (a) Consolidated stationery, printing, advertisement, etc.			
Trust Bank Limited	Note-27	69,285,866	78,871,158
Trust Bank Securities Limited		98,944	90,858
Trust Bank Investment Limited		479,437	489,834
		69,864,247	79,451,850
28 DIRECTORS' FEES			
Directors' fees		1,721,000	1,585,000
Shariah Supervisory Committee's Fees		88,400	57,600
Other benefits		-	-
		1,809,400	1,642,600

Directors' fees include fees for attending the meeting of the Board, Executive Committee and Audit Committee. Each director was remunerated @ Tk. 5,000 per meeting till 20 October 2015, after then the remuneration has been re-fixed @ Tk. 8,000 per meeting with effect from 21 October 2015, according to Bangladesh Bank BRPD Circular Letter no. 11.

28 (a) Consolidated directors fees			
Trust Bank Limited	Note-28	1,809,400	1,642,600
Trust Bank Securities Limited		24,000	-
Trust Bank Investment Limited		165,000	102,000
		1,998,400	1,744,600

29 DEPRECIATION AND REPAIR OF BANK'S ASSETS

Depreciation

Fixed assets (For details please refer to Annexure - B)

Repairs

Building	549,201	283,044
Furniture and fixtures	9,473,139	4,917,215
Office equipment	25,813,531	15,797,335
Bank's vehicles	3,777,687	3,892,243
Maintenance	25,528,347	32,046,399
	65,141,905	56,936,236
	248,637,909	194,751,593

29 (a) Consolidated depreciation and repair of bank's assets

Trust Bank Limited	Note-29	248,637,909	194,751,593
Trust Bank Securities Limited		931,139	773,453
Trust Bank Investment Limited		2,964,342	3,460,817
		252,533,390	198,985,863

30 OTHER EXPENSES

Business Development Expenses	20,350,408	28,327,300
Clearing House Charge	111,525	99,200
Conveyance	11,685,197	10,783,418
Entertainment	33,487,535	31,410,465



	31.12.2015 Taka	31.12.2014 Taka
Car Expenses	85,755,244	69,444,113
Cash Handling Charge	3,100,340	2,555,198
Bank charges	233,521	195,244
Meeting Expenses	1,980,249	6,285,212
Donation, Subscription and Membership Fees	14,914,555	16,290,490
News Paper and Periodicals	834,417	752,014
Oil and Lubricant	8,464,773	8,102,732
Remittance Charges	2,058,285	2,227,932
Other Contractual Service	207,122,349	157,256,903
Internship Allowances	1,964,370	1,949,237
Honorarium for Banking Diploma	917,000	631,000
Training & Recruitment Expenses	9,616,673	9,845,960
Traveling Expenses	19,143,386	16,902,834
Up Keep of Office Premises	8,582,009	7,003,989
Washing Charges	2,151,370	1,614,571
Loss on Sale of Fixed Assets	15,918,060	-
Loss on sale of Share	-	1,164,936
Car Leasing Expenses	5,513,655	5,387,844
Penalty**	(1,869,000)	1,869,000
Outsource Agency Fees	131,500	897,185
Foreign Correspondence Expenses	12,822,388	4,653,765
Amortization of Intangible Assets	4,011,085	10,154,606
Special Reserve Fund	120,000,000	120,000,000
CDBL Charges	80,080	127,768
Security Expenses	44,520	99,571
Broker's Expenses	3,003	-
Share/Bond Issue Expense	-	32,104,727
Sales Commission	4,958,375	3,204,634
Cash Carrying Charges	6,421,006	5,543,109
Wages paid to daily Labor	386,567	290,306
Purchase of Utensils	913,073	892,613
Medical Expenses	890	4,124
Contact Point Verification Fees (RB)	56,500	137,500
Miscellaneous Expenses	209,823	565,095
	602,074,731	558,774,595

**Tk. 1,869,000 paid to Bangladesh Bank during the year 2014 against non achievement of SME targets, which was returned by Bangladesh Bank in 2015 due to achievement of SME targets for the year 2015 alongwith the deficit amount of 2014.

30 (a) Consolidated other expenses

Trust Bank Limited	Note-30	602,074,731	558,774,595
Trust Bank Securities Limited		3,248,363	3,726,533
Trust Bank Investment Limited		11,600,776	11,263,919
		616,923,870	573,765,047



	31.12.2015 Taka	31.12.2014 Taka
31 PROVISION FOR LOANS AND ADVANCES / INVESTMENTS		
Specific Provisions-against classified loans & advances	417,511,000	124,375,000
General Provisions-against un-classified loans & advances	299,474,000	317,229,000
General Provisions-against special mentioned accounts	46,605,000	7,990,000
	763,590,000	449,594,000

31 (a) Consolidated Provision for Loans & Advances / Investment

Trust Bank Limited	Note-31	763,590,000	449,594,000
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		183,665,958	111,800,516
		947,255,958	561,394,516

32 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:

Decline in value of investment should consist of the following divisions:

(a) Dealing securities

- Quoted

- Unquoted

(b) Investment securities

- Quoted

- Unquoted

(c) Provision for decreased NAV of Trust Bank Securities Ltd

	-	-
	-	-
	-	-
	(92,188,069)	(48,658,333)
	-	-
	(92,188,069)	(48,658,333)
	2,403,718	
	(89,784,351)	(48,658,333)

Provision for Investment has been made as per BRPD Circular No. 14 dated 25 June 2001 and DOS circular letter No. 03 dated 12 March 2015 issued by Bangladesh Bank.

32 (a) Consolidated Provision for diminution in value of investments

Trust Bank Limited	(89,784,351)	(48,658,333)
Trust Bank Securities Limited	155,130	15,106
Trust Bank Investment Limited	8,234,414	42,229,435
	(81,394,807)	(6,413,792)

33 OTHER PROVISION

General Provision for Off Balance Sheet Exposures

Provision for Other Assets

101,910,000	159,252,000
2,064,940	(1,631,792)
103,974,940	157,620,208

33.1 General provision for off balance sheet exposures has been made @ 1% on period end balance of total off balance sheet exposures as per BRPD circular No. 8 and 10 dated August 07, 2007 and September 18, 2007 respectively issued by Bangladesh Bank respectively.



33.2 Provision for Other Assets has been made on the amount that remained unadjusted as at 31 December 2015 as per the rules & regulations enumerated in the BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.

33 (a) Consolidated Other Provision

	31.12.2015 Taka	31.12.2014 Taka
Trust Bank Limited	103,974,940	157,620,208
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	-
	103,974,940	157,620,208

34 The Bank has no secured liabilities on the reporting date and therefore the Bank has no asset pledged as security against such liabilities.

35 EARNING PER SHARE (EPS)

Profit attributable to outstanding ordinary share holders	1,539,330,248	1,299,197,545
Nos of Ordinary Outstanding Share	468,826,782	468,826,782
Basic Earning per Share	3.28	2.77

35 (a) Consolidated Earning per Share (EPS)

Profit attributable to outstanding ordinary share holders	1,540,524,967	1,298,068,480
Nos of Ordinary Outstanding Share	468,826,782	468,826,782
Earning per Share	3.29	2.77

36 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES

Locker Rent	1,684,050	1,611,500
Swift Charge (Net)	47,542,838	36,052,917
Postage Charge (Net)	4,091,980	1,086,571
Sale Proceeds of Forms	889,192	991,770
Service Charges	65,874,377	56,203,110
Service Compensation	767,592	1,473,116
Front End Fees	45,352,260	66,173,396
Notice Pay	1,734,918	2,574,590
closing Charge	1,336,548	1,286,408
Sale Proceeds of Cheque books	139,000	129,500
Income form Mobile Banking	350,337	519,942
O/W Cheque Processing Fees	619,641	546,670
EFTN Org Processing Fees	23	508
Service Charge - Transaction Agent (TA)	648	57
Introductory Commission	471	-
Syndication Fees	9,059,526	3,025,000
Income through Credit & ATM Card	59,464,719	44,421,235
Income from Government Securities	1,981,313,001	1,673,466,832



	31.12.2015 Taka	31.12.2014 Taka
Interest on Corporate Bonds	37,756,101	48,901,298
Income on Investment in Commercial Paper	37,499,306	-
Profit on Investment in Islamic Bank Bond	3,107,632	5,553,198
Income from sale proceed of shares	4,863	3,339,552
Insurance Premium Income	23,651	19,854
SMS Notification Fees	1,400,945	403,368
Service Charges on e-GP	2,071,467	2,103,718
Service Charge on Passport	4,900	2,700
Miscellaneous Foreign Exchange Income	117,720,629	97,448,141
Trustee Fees	2,200,000	1,000,000
Service Charge on BRTA Transaction	1,823,499	645,000
Income from Priority Pass	8,226	-
Charges for Footage	3,000	-
Miscellaneous Earnings	94,612,254	73,029,094
	2,518,457,594	2,122,009,045

36 (a) Consolidated Income from Other Operating Activities

Trust Bank Limited	Note-36	2,518,457,594	2,122,009,045
Trust Bank Securities Limited		218,218,461	169,181,763
Trust bank Investment Limited		16,692,442	11,743,345
		2,753,368,497	2,302,934,153

37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES

Business Development Expenses	(20,350,408)	(28,327,300)
Clearing House Charge	(111,525)	(99,200)
Conveyance	(11,685,197)	(10,783,418)
Entertainment	(33,507,027)	(31,371,154)
Car Expenses	(85,755,244)	(69,444,113)
Cash Handling Charge	(3,100,340)	(2,555,198)
Bank charges	(233,521)	(195,244)
Meeting Expenses	(1,980,249)	(6,285,212)
Donation, Subscription and Membership Fees	(14,914,555)	(16,290,490)
News Paper and Periodicals	(840,285)	(765,257)
Oil and Lubricant	(8,619,857)	(7,979,939)
Remittance Charges	(2,409,204)	(2,077,129)
Other Contractual Service	(207,022,897)	(157,342,708)
Internship Allowances	(1,964,370)	(1,949,237)
Honorarium for Banking Diploma	(917,000)	(631,000)
Training Expenses	(9,616,673)	(9,845,960)
Traveling Expenses	(19,143,386)	(16,902,834)
Up Keep of Office Premises	(8,582,009)	(7,003,989)
Washing Charges	(2,151,370)	(1,614,571)
Loss on sale of Share	-	(1,164,936)
Car Leasing Expenses	(5,513,655)	(5,387,844)
Penalty	1,869,000	(1,869,000)
Outsource Agency Fees	(131,500)	(897,185)



	31.12.2015 Taka	31.12.2014 Taka
Foreign Correspondence Expenses	(12,822,388)	(4,653,765)
Special Reserve Fund	(120,000,000)	(80,000,000)
CDBL Charges	(80,080)	(127,768)
Security Expenses	(44,520)	(99,571)
Broker's Expenses	(3,003)	-
Share/Bond Issue Expense	-	(32,104,727)
Sales Commission	(4,958,375)	(3,204,634)
Cash Carrying Charges	(6,421,006)	(5,543,109)
Wages paid to daily Labor	(386,567)	(290,306)
Purchase of Utensils	(913,073)	(892,613)
Medical Expenses	(890)	(4,124)
Contact Point Verification Fees (RB)	(56,500)	(137,500)
Miscellaneous Expenses	(11,140,781)	17,060,779
Publicity and Advertisement	(10,136,653)	(24,344,740)
Rent, Taxes, Insurance, Lighting etc.	(673,975,669)	(481,108,812)
Legal Expenses	(6,162,358)	(4,523,041)
Postage, Telegram, Telephone	(122,989,059)	(109,946,178)
Audit Fee	(287,500)	(287,500)
Directors Fee	(1,809,400)	(1,642,600)
Repairs and maintenance of Fixed Assets	(65,141,905)	(56,936,236)
	(1,474,010,999)	(1,169,569,363)

37 (a) Consolidated Expenses paid for Other Operating Activities

Trust Bank Limited	Note-37	(1,474,010,999)	(1,169,569,363)
Trust Bank Securities Limited		(25,015,482)	(10,106,509)
Trust Bank Investment Limited		(11,597,099)	(23,171,672)
		(1,510,623,580)	(1,202,847,544)

38 CHANGES IN OTHER OPERATING ASSETS

Security Deposits	(2,014,885)	(368,698)
Intl. Credit Report Agency Charge	1,317,062	-
Encashment of Sanchaya patra awaiting reimbursement-Principal	(215,745,068)	(72,071,433)
Encashment of Sanchaya patra awaiting reimbursement-Interest	(343,280,920)	(65,568,142)
Encashment of WEDB awaiting reimbursement-Principal	17,896,638	8,776,581
Encashment of WEDB awaiting reimbursement-Interest	72,561,956	13,525,275
US\$ Premium Bond - Interest	(158,858)	(1,058,310)
US\$ Investment Bond - Principal	(2,293,550)	2,015,300
US\$ Investment Bond - Interest	(5,211,754)	678,851
Receivable on Death Risk Benefit-WEDB	-	120,000
Receivable from Exchange House	12,033,033	(3,862,185)
Advance against Capital Expenditure	48,422,225	(102,031,304)
Clearing Adjustment	14,851,333	(6,776,447)
Suspense Account	524,375,971	(427,025,488)
	122,753,183	(653,646,000)



		31.12.2015 Taka	31.12.2014 Taka
38 (a) Consolidated Changes in Other Operating Assets			
Trust Bank Limited	Note-38	122,753,183	(653,646,000)
Trust Bank Securities Limited		1,893,727	1,352,096
Trust Bank Investment Limited		(1,322,557)	(1,946,350)
		123,324,353	(654,240,254)
Less : Inter Company Transaction		-	-
		123,324,353	(654,240,254)
39 CHANGES IN OTHER LIABILITIES			
Sundry Creditors		170,369,757	110,522,618
Others		(1,569,729)	1,974,800
		168,800,028	112,497,418
39 (a) Consolidated Changes in Other Operating Liabilities			
Trust Bank Limited	Note-39	168,800,028	112,497,418
Trust Bank Securities Limited		4,286,328	9,899,219
Trust Bank Investment Limited		(1,004,379,042)	777,455,061
		(831,292,686)	899,851,698
40 CLOSING CASH AND CASH EQUIVALENT			
Cash in hand (including foreign currencies)		2,714,773,207	2,762,710,234
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)		11,287,838,567	7,991,254,036
Balance with Other Bank and Financial Institutions		5,026,402,674	2,323,734,364
Prize Bond		4,313,600	4,169,400
		19,033,328,048	13,081,868,034
40.a CONSOLIDATED CLOSING CASH AND CASH EQUIVALENT			
Trust Bank Limited		19,033,328,048	13,081,868,034
Trust Bank Securities Limited		36,693,768	32,106,611
Trust Bank Investment Limited		-	-
		19,070,021,816	13,113,974,645

41 EXPENDITURE INCURRED FOR EMPLOYEES

Salaries, allowances and benefits

Number of employees at 31 December 2015 was 1854; (31 December 2014 was 1673) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of remuneration of not less than TK. 3,000 per month.

42 AUDIT COMMITTEE

42.a Particulars of Audit Committee

An audit committee has been formed by the Board of Directors of the Bank in its 64th Board meeting held on 05 February 2003. In accordance with the BRPD circular letter no. 12 dated 23 December 2002, the committee constituted with a chairman, two members and a member secretary.



31.12.2015
Taka

31.12.2014
Taka

As on 31 December 2015 the Honorable Members of the committee were as follows:

Name	Status with Bank	Status with committee	Educational Qualification
Mr. Shahedul Islam	Independent Director	Chairman	B.A., CS
Mr. M A Haider Hussain	Independent Director	Member	M.A.
Mr. Khaled Mahbub Morshed	Company Secretary	Member Secretary	M. Com, FCA

- 42.b** During the period end as on 31 December 2015, the following number of meetings of the Audit Committee held with the bank's Senior Management to consider and review the Bank's Financial Statements and Risk Management:

Meeting Number	Date of Meeting
1st	2-Mar-15
2nd	27-Apr-15
3rd	22-Jul-15
4th	18-Oct-15
5th	30-Nov-15

- 42.c** **Following steps have been taken for implementation of an effective Internal Control Procedures of the banks:**

A strong internal control & compliance division has been formed with a view to establish compliance culture and full control.

Regular review of internal and external (including Bangladesh Bank) audit reports with a view to implement the suggestion of internal and external auditors (including Bangladesh Bank), in respect of internal control techniques.

To establish an effective management system that includes planning, organizing and supervising culture in the branches as well as at head office.

Continuous monitoring & evaluation on application of internal control system, internal audit policy, policy for financial risks, existing rules and regulations (internal and external), other obligations from controlling authority, disclosure process of financial statements etc. of the bank.

Review the accounting procedures with a view to ascertain that the Bangladesh Financial Reporting Standards (BFRSs) have been applied in preparation and presentation of financial statements.

Formulation of HRM policy and other operating procedures.



43 Related Party Disclosures

Parties are considered to be related if one party has been able to control the other party or to exercise significant influence over the other party in making financial and operating decisions. Related party information is given below:

i) Directors' interest in different entities as on 31.12.2015:

SL.	Name of the Directors	Status with Bank	Entities where they have interest	% of Interest
1.	Gen Abu Belal Muhammad Shafiul Huq, ndc, psc	Chairman (Representing Army Welfare Trust)	Sena Kalyan Sangstha – Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd. – Chairman, Board of Directors	Nominated
			Bangladesh Machine Tools Factory Ltd.- Chairman, Board of Directors	Nominated
			Army Welfare Trust – Chairman, Board of Trustees	Nominated
			Trust Bank Investment Limited (TBIL), Chairman, Board of Directors	Nominated
			Military Institute of Science & Technology, Vice Chairman	Nominated
			Council of the College, Armed Forces Medical College, Chairman	Nominated
			Sena Paribar Kalyan Samiti, Chief Patron	Nominated
			Advisory Committee of Proyash, President	Nominated
			National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman	Nominated
			Bangladesh Golf Federation, President	Nominated
			Kurmitola Golf Clubs, President	Nominated
			Defence Officers Housing Scheme Committee, Chairman	Nominated
2.	Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD	Vice Chairman (Nominated Director)	Sena Kalyan Sangstha- Vice Chairman, Board of Trustees	Nominated
			Sena Kalyan Sangstha- Chairman, Management Committee	Nominated
			Sena Hotel Development Ltd. - Vice Chairman, Board of Directors	Nominated
			Army Welfare Trust - Vice Chairman, Board of Trustees	Nominated
			Trust Transport Services, Chairman, Board of Directors	Nominated
			Army Housing Scheme, Chairman, Board of Directors	Nominated
			Governing Bodies of Cadet Colleges, Chairman	Nominated
			Trust Technical Training Institute, Chairman, Board of Directors	Nominated
			Trust Bank Investment Limited (TBIL), Vice-Chairman, Board of Directors	Nominated
			Trust Bank Securities Limited (TBSL)- Chairman, Board of Directors	Nominated
3.	Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc	Director (Nominated Director)	Trust Bank Investment Limited (TBIL), Director, Board of Directors	Nominated
			Trust Bank Securities Limited (TBSL)- Vice Chairman, Board of Directors	Nominated
			Trust Technical Training Institute, Director, Board of Directors	Nominated
			Trust Overseas Recruiting Agency (TORA), Director, Board of Directors	Nominated
4.	Mr. Ashrafuzzaman Khan	Independent Director	Executive Attire Limited, Managing Director	-
			Trust Bank Investment Limited-Independent Director, Board of Directors	Nominated
			Trust Bank Securities Limited-Independent Director, Board of Directors	Nominated
5.	Brig Gen Md Zakir Hossain, psc, te	Director (Nominated Director)	Army Welfare Trust (AWT) – Managing Director	Ex-Officio
			Sena Hotel Development Limited – Director	Nominated
			Trust Technical Training Institute (TTTI) – Director, Board of Directors	Nominated
			Trust Bank Investment Limited (TBIL)- Director, Board of Directors	Nominated
			Trust Bank Securities Limited (TBSL)- Director, Board of Directors	Nominated
			Army Housing Scheme- Managing Director	Nominated
6.	Mr. Shahedul Islam	Independent Director	Bengal Pacific (Pvt.) Ltd. – Managing Director	-
			Bengal Braided Rugs Limited – Managing Director	-
			Promises Medical Ltd. – Chairman	-
			Bengal Poly & Paper Sack Ltd. – Director	Nominated
			Trust Bank Investment Limited- Independent Director, Board of Directors	Nominated
7.	Mr. M A Haider Hussain	Independent Director	Khwaja Yunus Ali Medical College & Hospital (KYAMCH) – Chairman	-
			Khwaja Yunus Ali Medical College (KYAMC) - Chairman	-
			KYAMCH Nursing Institute – Chairman	-
			Khwaja Yunus Ali University (KYAU) – Chairman	-
			KYAMCH Laboratory School – Chairman	-
			Tareq Md. Haider Trust – Chairman	-
			Khwaja Yunus Ali Foundation – Chairman	-
			Meherunnesa Girls High School – Chairman	-
			ATI Limited – Managing Director	-
			ATI Ceramics Limited – Managing Director	-
			M M Tea Estate Limited – Managing Director	-
			Drug International Limited – Managing Director	-
			Drug International Herbal Limited – Managing Director	-
			Drug International Unani Limited – Managing Director	-
			M M Multi Fibers Limited – Managing Director	-
			Harnest Label Industries Ltd. – Managing Director	-



ii) Significant contracts where Bank is a party and where in Directors have interest:

Nature of Contract	Branch Name	Name of Directors and related by
Lease Agreement with Army Welfare Trust	Principal Branch	Gen Abu Belal Muhammad Shafiul Huq, ndc, psc Chairman, Board of Trustees, Army Welfare Trust
		Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD Vice- Chairman, Board of Trustees, Army Welfare Trust
		Brig Gen Md Zakir Hossain, psc, te Managing Director , Army Welfare Trust
Lease Agreement with Sena Kalyan Sangstha	Sena Kalyan Bhaban Branch	Gen Abu Belal Muhammad Shafiul Huq, ndc, psc Chairman, Board of Trustees, Sena Kalyan Sangstha
	Khulna Branch	
	Tongi Branch	Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD Vice chairman, Board of Trustees, Sena Kalyan Sangstha.
Lease Agreement with Sena Paribar Kalyan Samiti	Head Office	Gen Abu Belal Muhammad Shafiul Huq, ndc, psc Chief Patron, Sena Paribar Kalyan Samiti
	Millenium Corporate Branch	
Advertisement Agreement with Army Welfare Trust	Head Office	Gen Abu Belal Muhammad Shafiul Huq, ndc, psc Chairman, Board of Trustees, Army Welfare Trust
		Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD Vice- Chairman, Board of Trustees, Army Welfare Trust
		Brig Gen Md Zakir Hossain, psc, te Managing Director, Army Welfare Trust

iii) Shares issued to Directors and Executives without consideration or exercisable at discount:

Nil

iv) Related party Transactions:

1. The significant Related party transactions during the year were as follows:

a) Transactions relating to rent

Name of the Company/Person	Nature of Relation ship	Nature of Transactions	Amount of transaction made during the year
Army Welfare Trust	Common Director	Office Rent	14,170,000
Sena Paribar Kalyan Samiti	Common Director	Office Rent	172,170,800
Sena Kalyan Sangstha	Common Director	Office Rent	11,320,025

b) Transactions with Subsidiaries:

Bank balance of subsidiaries with Trust Bank Limited

Name of the Subsidiaries	Nature of Account	Balance as on 31/12/2015
Trust Bank Investment Ltd.	Special Notice Deposit (SND) and Current Account	3,391,337
Trust Bank Securities Ltd.	Special Notice Deposit (SND) and Current Account	655,332

v) Lending Policies to related Parties:

Related parties are allowed Loans & Advances as per General Loan Policy of the Bank.

vi) Loan and Advances to Directors and their related concern:

230,998,943

vii) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act – 1991:

Name of Party	Relationship	Name of transaction	Amount
Trust Securities & Logistic Support Ltd.	Common Director	Securities Services to the Bank	207,122,349

viii) Investments in the Securities of Directors and their related concern:

Nil

43.1 The Bank's Directors' loan and advances as have been shown above in serial no. (vi), fall within purview of scheme loan launched for the defense officers for house building purposes.

44 Event after the Reporting Date

The Board of Directors in its 249 (03/2016) Meeting held on 23 March 2016 recommended 8% Stock Dividend i.e 8 (Eight) Bonus shares for every 100 (One Hundred) Shares held and 7% Cash Dividend subject to the approval of the shareholders at the next Annual General Meeting (AGM).

45 FINANCIAL HIGHLIGHTS

As per BRPD Circular # 14, dated 25 June 2003, Financial Highlights of the Bank for the Year ended on 31 December 2015 has been shown in Annexure - C.



Annexure - A

Schedule of Balance with Other Banks-Outside Bangladesh (Nostro Accounts)

Name of the Bank	Name of the foreign currency	31.12.2015			31.12.2014		
		Amount in foreign currency	Exchange rate as on 31.12.2015	Total amount equivalent to Taka	Amount in foreign currency	Exchange rate as on 31.12.2014	Total amount equivalent to Taka
Mashreq Bank psc, USA	USD	2,125,214.23	78.95	167,785,663	308,991.68	78.75	24,333,095
Standard Chartered Bank, USA	USD	5,905,889.20	78.95	466,269,952	496,616.23	78.75	39,108,528
HSBC Bank, USA	USD	9,964,961.32	78.95	786,733,696	762,732.86	78.75	60,065,213
ICICI Bank Ltd., Hong Kong	USD	746,450.54	78.95	58,932,269	313,259.14	78.75	24,669,157
Commerz Bank, AG Germany	USD	5,394,807.35	78.95	425,920,040	6,501,486.67	78.75	511,992,075
Habib Bank Limited	USD	80,173.04	78.95	6,329,662	166,757.23	78.75	13,132,132
Sonali Bank Ltd. UK	USD	336,742.70	78.95	26,585,836	543,228.70	78.75	42,779,260
United Bank of India	USD	407,754.85	78.95	32,192,245	131,053.71	78.75	10,320,480
Commerz Bank, AG, Germany	AUD	6,809.61	59.49	405,095	19,689.56	65.86	1,296,660
Standard Chartered Bank, UK	GBP	84,680.52	118.47	10,032,081	47,509.29	123.84	5,883,484
Sonali Bank Ltd., UK	GBP	12,118.51	118.47	1,435,679	34,735.17	123.84	4,301,555
HSBC, PLC, UK	GBP	118,941.12	118.47	14,090,943	148,062.38	123.84	18,335,838
Standard Chartered Bank, Japan	YEN	1,599,418.00	0.69	1,096,721	2,539,964.00	0.68	1,737,589
Commerz Bank, AG, Germany	YEN	3,955,659.00	0.69	2,712,395	1,608,685.00	0.68	1,100,501
HSBC, PLC, UK	EURO	52,698.57	87.85	4,629,659	63,972.85	97.11	6,212,192
Standard Chartered Bank, UK	EURO	265,023.73	87.85	23,282,785	20,499.47	97.11	1,990,636
ICICI Bank Ltd., Mumbai, India	EURO	20,772.79	87.85	1,824,925	5,024.55	97.11	487,917
Sonali Bank Ltd. UK	EURO	10,492.66	87.85	921,798	37,192.06	97.11	3,611,598
Commerz Bank, AG, Germany	EURO	38,547.90	87.85	3,386,499	108,669.36	97.11	10,552,523
ICICI Bank Ltd., Mumbai, India	ACU	520,326.05	78.95	41,079,742	309,041.40	78.75	24,337,010
AB Bank Ltd., Mumbai, India	ACU	833,964.87	78.95	65,841,527	16,822.49	78.75	1,324,771
Mashreq Bank, Mumbai, India	ACU	212,746.66	78.95	16,796,349	78,251.05	78.75	6,162,270
Standard Chartered Bank, Mumbai, India	ACU	351,685.60	78.95	27,765,539	233,288.20	78.75	18,371,446
Bank Aljazira,	SAR	100,000.00	21.28	2,128,370	-	-	-
Habib Bank Ltd., Zurich	CHF	41,061.02	80.66	3,311,842	87,927.60	80.25	7,055,769
Total				2,191,491,312	839,161,699		



Schedule of Fixed Assets
As at 31 December 2015

PARTICULARS	COST				DEPRECIATION				WRITTEN DOWN VALUE at 31 December 2015
	Balance on 1 January 2015	Additions during the year	Disposal/ adjustment during the year	Balance at 31 December 2015	Balance on 1 January 2015	Charge for the year	Disposal/ adjustment during the year	Balance at 31 December 2015	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Leasehold Land	160,469	-	-	160,469	-	-	-	-	160,469
Office Building	12,680,000	-	-	12,680,000	1,991,256	267,216	-	2,258,472	10,421,528
Furniture and Fixtures	168,182,869	65,443,098	37,658,012	195,967,955	80,374,826	16,023,696	28,155,141	68,243,381	127,724,574
Office Equipment	674,152,321	175,504,959	17,137,749	832,519,531	394,648,588	116,144,084	16,674,750	494,117,922	338,401,609
Motor Vehicles	79,680,132	157,663	-	79,837,795	48,092,498	10,148,561	-	58,241,059	21,596,736
Office Renovation	338,400,656	185,330,019	32,107,005	491,623,670	144,509,204	40,912,447	23,044,479	162,377,172	329,246,498
31 December 2015	1,273,256,447	426,435,739	86,902,766	1,612,789,420	669,616,372	183,496,004	67,874,370	785,238,006	827,551,414
31 December 2014	1,033,866,524	258,785,579	19,395,656	1,273,256,447	550,081,301	137,815,357	18,280,286	669,616,372	603,640,075



Annexure - C

Financial Highlights

SI No	Particulars	Base	31.12.2015	31.12.2014
1	Paid up Capital	Taka	4,688,267,820	4,262,061,660
2	Total Capital	Taka	13,922,314,764	13,419,255,702
3	Capital surplus/(deficit)	Taka	5,157,800,000	2,834,500,000
4	Total Assets	Taka	180,229,572,689	145,346,118,393
5	Total Deposits	Taka	150,854,195,426	125,059,132,151
6	Total Loans and Advances	Taka	130,614,645,769	106,886,082,701
7	Total Contingent Liabilities and Commitments	Taka	57,787,045,772	47,597,345,303
8	Credit Deposit Ratio	%	86.58	85.47
9	Percentage of classified loans against total loans and advances	%	2.74	2.45
10	Profit after tax and provision	Taka	1,539,330,248	1,299,197,545
11	Amount of classified loans during current year	Taka	973,714,085	969,531,639
12	Provisions kept against classified loan	Taka	1,455,151,000	1,037,640,000
13	Provision surplus/(deficit)	Taka	68,759,931	118,284
14	Cost of fund	%	6.79	9.18
15	Interest earning Assets	Taka	154,765,832,780	125,783,391,731
16	Non-interest earning Assets	Taka	25,463,739,909	19,562,726,662
17	Return on Investment (ROI)	%	11.06	9.68
18	Return on Asset (ROA)	%	0.85	0.89
19	Income from Investment	Taka	2,010,603,555	1,840,632,093
20	Earning per Share (EPS)	Taka	3.28	2.77
21	Net income per Share	Taka	3.28	2.77
22	Price Earning Ratio	Times	7.35	4.69
23	Net Asset Value (NAV)	Taka	9,512,048,529	8,128,690,190
24	Net Operating Cash Flow Per Share (NOCFPS)	Taka	9.62	(4.85)



Annexure - D

Balance Sheet of Islami Banking Division As on 31 December 2015

	31.12.2015 Taka	31.12.2014 Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	11,563,961	12,426,890
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	840,303,471	535,450,336
	851,867,432	547,877,226
Balance with other banks and financial institutions		
In Bangladesh	2,028,781,869	778,667,439
Outside Bangladesh	-	-
	2,028,781,869	778,667,439
Placement with banks and other financial institution	-	-
Investments in Shares and Securities		
Government	750,000,000	410,000,000
Others	267,790,742	67,790,742
	1,017,790,742	477,790,742
Investments		
General Investments etc.	8,869,930,081	6,136,364,905
Bills purchased and discounted	311,187,682	282,154,053
	9,181,117,763	6,418,518,958
Fixed assets including premises	-	-
Other assets	525,876,907	278,642,860
Non-banking assets	-	-
Total Assets:	13,605,434,713	8,501,497,225
LIABILITIES AND CAPITAL		
Liabilities:		
Placement from banks and other financial institutions	427,402,257	347,953,108
Deposits and other accounts:		
Al-wadeeah Current Accounts and Other Deposit Accounts	817,378,405	422,774,016
Mudaraba Savings Deposits	983,057,953	613,273,943
Mudaraba Term Deposits	10,580,206,141	6,565,939,587
Other Mudaraba Deposits	-	-
Bills Payable	4,455,355	5,668
	12,385,097,854	7,601,993,214
Other liabilities	433,244,540	261,470,031
Total Liabilities:	13,245,744,651	8,211,416,353
Capital/Shareholders' Equity		
Paid up Capital	-	-
Foreign Currency Transaction Difference	-	-
Statutory Reserve	-	-
Other Reserve	-	-
Retained Earnings	359,690,062	290,080,872
Total Shareholders' Equity	359,690,062	290,080,872
Total Liabilities and Shareholders' Equity	13,605,434,713	8,501,497,225



Annexure - E

Profit and Loss Account of Islami Banking Division For the year ended 31 December 2015

	31.12.2015 Taka	31.12.2014 Taka
Investment Income	1,038,840,886	788,078,572
Profit paid on deposits	758,140,039	571,228,090
Net Investment Income	280,700,847	216,850,482
Income from investments in Shares/Securities	16,003,940	17,474,420
Commission, exchange and brokerage	68,202,383	52,201,727
Other operating income	27,951,640	19,119,918
	112,157,963	88,796,065
Total operating income	392,858,810	305,646,547
Salaries and allowances	30,785,616	15,350,988
Rent, taxes, insurance, electricity, etc.	90,000	110,000
Legal expenses	-	-
Postage, stamps, telecommunications, etc.	38,065	4,255
Stationery, printing, advertisement etc.	-	-
Chief Executive's Salary & Fees	-	-
Directors' Fees and Expenses	-	-
Shariah Supervisory Committee's Fees	88,400	57,600
Auditors' Fees	-	-
Changes in Investment Losses	-	-
Depreciation and repair to bank's assets	-	-
Zakat Expenses	-	-
Other expenses	2,166,667	42,832
Total operating expenses	33,168,748	15,565,675
Profit before provision	359,690,062	290,080,872



Cash Flow Statements of Islami Banking Division
For the year ended 31 December 2015

	31.12.2015 Taka	31.12.2014 Taka
A. Cash flow from operating activities		
Interest/Investment Income received in cash	1,045,702,297	799,165,120
Interest/Profit paid on Deposits	(758,140,039)	(571,228,090)
Dividend receipts	7,027,815	8,581,670
Fees and commission receipts in cash	-	-
Recoveries of written off Loans/Investments	-	-
Cash paid to employees	(30,785,616)	(15,350,988)
Cash paid to suppliers	-	-
Income Taxes paid	-	-
Received from other operating activities (item-wise)	105,130,148	80,214,395
Payments for other operating activities (item-wise)	(2,383,132)	(171,487)
Operating profit before changes in operating Assets and Liabilities	366,551,473	301,210,620
Increase/(Decrease) in operating assets & liabilities		
Statutory Deposits	-	-
Net Investment in trading securities	(200,000,000)	61,083,507
Loan & advance/Investments to other banks	-	-
Loan & advance/Investments to customers	(2,762,598,805)	(2,577,228,747)
Other assets (item-wise)	(254,095,458)	(205,381,788)
Deposits from other banks	-	-
Deposits from customers	4,783,104,640	2,412,216,246
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities (item-wise)	(118,306,363)	(79,365,153)
Net cash from operating activities (A)	1,814,655,487	(87,465,315)
B. Cash flow from investing activities		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(340,000,000)	(170,000,000)
Purchase of property, plant & equipment	-	-
Purchase of intangible assets	-	-
Sale of property, plant & equipment	-	-
Net cash from investing activities (B)	(340,000,000)	(170,000,000)
C. Cash flow from financing activities		
Increase/(Decrease) in Borrowing:		
Call loan	-	-
Other borrowings	79,449,149	347,953,108
Share Capital A/c	-	-
Share Premium A/c	-	-
Net cash from financing activities (C)	79,449,149	347,953,108
D. Net increase in Cash and Cash Equivalent (A+B+C)	1,554,104,636	90,487,793
E. Effects of exchange rate changes on cash and cash equivalents	-	-
F. Opening Cash and Cash Equivalent	1,326,544,665	1,236,056,872
Cash and cash equivalents at end of period (D+E+F)	2,880,649,301	1,326,544,665



Annexure - G

TRUST BANK LIMITED

Offshore Banking Unit

Balance Sheet

as of 31 December 2015

	31.12.2015		31.12.2014
	USD	Taka	Taka
PROPERTY AND ASSETS			
Cash			
Cash in hand (including foreign currencies)	-	-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	-	-	-
	-	-	-
Balance with other banks and financial institutions			
In Bangladesh	-	-	-
Outside Bangladesh	234,316	18,499,248	5,634,011
	234,316	18,499,248	5,634,011
Money at call and short notice	-	-	-
Investments			
Government	-	-	-
Others	-	-	-
	-	-	-
Loans and Advances/Islami Banking Investments			
Loans, Cash Credit, Overdrafts etc./ Investment	9,179,976	724,759,105	134,082,113
Bills purchased and discounted	21,355,773	1,686,038,278	2,992,686,323
	30,535,749	2,410,797,383	3,126,768,436
Fixed assets including premises, furniture and fixtures	-	-	-
Other assets	-	-	-
Non-banking assets	-	-	-
Total Assets	30,770,065	2,429,296,631	3,132,402,447
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	29,804,885	2,353,095,671	3,102,845,525
Deposits and other accounts			
Current / Al-wadeeah Current Accounts and other Accounts	545,143	43,039,040	-
Bills Payable	-	-	-
Savings Bank / Mudaraba Savings Deposits	-	-	-
Fixed Deposits / Mudaraba Term Deposits	-	-	-
Bearer Certificates of Deposit	-	-	-
Other Deposits	-	-	-
	545,143	43,039,040	-
Other liabilities	-	-	-
Total Liabilities	30,350,028	2,396,134,711	3,102,845,525
Capital/Shareholders' Equity			
Paid up Capital	-	-	-
Foreign Currency Transaction Difference	-	42,002	187,663
Statutory Reserve	-	-	-
Other Reserve	-	-	-
Retained Earnings	420,037	33,119,918	29,369,259
Total Shareholders' Equity	420,037	33,161,920	29,556,922
Total Liabilities and Shareholders' Equity	30,770,065	2,429,296,631	3,132,402,447



TRUST BANK LIMITED
Offshore Banking Unit
Profit and Loss Account
For the year ended as of 31 December 2015

	31.12.2015		31.12.2014
	USD	Taka	Taka
Interest income / Profit on Investment	1,769,376	139,515,298	116,640,937
Interest / Profit paid on deposits and borrowings etc.	1,244,885	98,159,182	89,295,222
Net interest income	524,491	41,356,116	27,345,715
Income from investments	-	-	1,300,280
Commission, exchange and brokerage	-	-	-
Other operating income	-	-	1,597,630
	-	-	2,897,910
Total operating income	524,491	41,356,116	30,243,625
Salaries and allowances	-	-	-
Rent, taxes, insurance, electricity, etc.	-	-	-
Legal expenses	-	-	-
Postage, stamps, telecommunications, etc.	-	-	-
Stationery, printing, advertisement etc.	-	-	-
Managing Director's salary and benefits	-	-	-
Directors' fees	-	-	-
Auditors' fee	-	-	-
Charges on loan losses	-	-	-
Depreciation and repair of bank's assets	-	-	-
Other expenses	104,454	8,236,198	874,366
Total operating expenses	104,454	8,236,198	874,366
Profit before provision	420,037	33,119,918	29,369,259
Provision for loans & advances / Investments	-	-	-
Provision for Diminution in value of Investment	-	-	-
Other provision	-	-	-
	-	-	-
Total Profit before Taxes	420,037	33,119,918	29,369,259
Provision for Taxation			
Current tax	-	-	-
Deferred tax	-	-	-
	-	-	-
Net Profit after Taxation	420,037	33,119,918	29,369,259
Appropriations			
Statutory Reserve	-	-	-
General reserve	-	-	-
	-	-	-
Retained surplus	420,037	33,119,918	29,369,259



Annexure - I

TRUST BANK LIMITED Offshore Banking Unit Cash Flow Statements

For the year ended as of 31 December 2015

	31.12.2015		31.12.2014
	USD	Taka	Taka
A. Cash flow from operating activities			
Interest received in cash	1,769,376	139,515,298	116,640,937
Interest payments	(1,244,885)	(98,159,182)	(89,295,222)
Dividend receipts	-	-	-
Fees and commission receipts in cash	-	-	-
Recoveries of loans previously written off	-	-	-
Cash paid to employees	-	-	-
Cash paid to suppliers	-	-	-
Income Taxes paid	-	-	-
Received from other operating activities (item-wise)	-	-	2,897,910
Payments for other operating activities (item-wise)	(104,454)	(8,236,198)	(874,366)
Operating profit before changes in operating Assets and Liabilities	420,037	33,119,918	29,369,259
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits	-	-	-
Net Investment in trading securities	-	-	-
Loan & advance to other banks	-	-	-
Loan & advance to customers	9,169,247	715,971,053	(3,126,768,436)
Other assets (item-wise)	-	-	-
Deposits from other banks	545,143	43,039,040	-
Deposits from customers	-	-	-
Other liabilities account of customers	-	-	-
Trading liabilities	-	-	-
Other liabilities (item-wise)	-	-	-
Net cash from operating activities (A)	10,134,427	792,130,011	(3,097,399,177)
B. Cash flow from investing activities			
Proceeds from sale of securities	-	-	-
Payments for purchase of government securities	-	-	-
Purchase of property, plant & equipment	-	-	-
Purchase of intangible assets	-	-	-
Sale of property, plant & equipment	-	-	-
Net cash from investing activities (B)	-	-	-
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:			
Call loan	(9,596,328)	(749,749,854)	3,102,845,525
Re-Purchase agreement (REPO)	-	-	-
Other borrowings	-	-	-
Share Capital A/c	-	-	-
Share Premium A/c	-	-	-
Profit transfer to Head Office	(375,326)	(29,369,259)	-
Net cash from financing activities (C)	(9,971,654)	(779,119,113)	3,102,845,525
D. Net increase in Cash and Cash Equivalent (A+B+C)	162,773	13,010,898	5,446,348
E. Effects of exchange rate changes on cash and cash equivalents	-	(145,661)	187,663
F. Opening Cash and Cash Equivalent	71,543	5,634,011	-
G. Cash and cash equivalents at end of year (D+E+F)	234,316	18,499,248	5,634,011

Auditors' Report And
Audited Financial Statements of
Trust Bank Investment Limited





**Auditors' Report
to the shareholders of
Trust Bank Investment Limited**

We have audited the accompanying financial statements of **Trust Bank Investment Limited**, which comprise the Balance Sheet as at 31 December 2015 and the Profit and Loss Account, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.


Opinion

In our opinion, the financial statements, prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of the results of its operations and of its cash flows for the year then ended, and comply with the applicable sections of the Financial Institutions Act 1993, the Companies Act 1994, the Securities and Exchange Commission (Merchant Bankers and Portfolio Manager) Rules 1996, the rules and regulations issued by Bangladesh Bank, and other applicable laws and regulations.

We also report that:

- a. we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c. the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of accounts;
- d. the financial statements conform to the prescribed standards set in the accounting regulations issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- e. the expenditure incurred and payments made were for the purposes of the Company's business;
- f. the information and explanations required by us have been received and found satisfactory;
- g. the financial statements have been drawn up in conformity with the Bank Companies Act 1991 and in accordance with the rules and regulations issued by Bangladesh Bank;

Dated, Dhaka
23 March, 2016


A. Qasem & Co.
Chartered Accountants



TRUST BANK INVESTMENT LIMITED

Balance Sheet

As at 31 December 2015

	Notes	31.12.2015 Taka	31.12.2014 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)		-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		-	-
		-	-
Balance with other banks and financial institutions	4		
In Bangladesh		5,184,381	3,522,115
Outside Bangladesh		-	-
		5,184,381	3,522,115
Money at call and short notice	5	-	-
Investments	6		
Government		-	-
Others		1,585,479,128	974,509,830
		1,585,479,128	974,509,830
Loans and Advances	7		
Loan to Investors		3,163,752,069	4,578,900,657
Other Loan		-	-
		3,163,752,069	4,578,900,657
Fixed assets including premises, furniture and fixtures	8	8,825,161	10,491,315
Other assets	9	24,491,791	26,028,153
Non-banking assets	10	-	-
Total Assets:		4,787,732,530	5,593,452,070
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings	11	129,823,381	58,492,130
Deposits and other accounts	12		
Deposit from Investors		53,211,145	108,218,523
Other Deposits		-	-
		53,211,145	108,218,523
Other liabilities	13	1,267,807,707	2,089,851,120
Total Liabilities		1,450,842,233	2,256,561,773
Capital/Shareholders' Equity			
Paid up Capital	14.2	3,000,000,000	3,000,000,000
Share Premium Account		-	-
Statutory Reserve	15	-	-
Other Reserve	16	-	-
Retained Earnings	17	336,890,297	336,890,297
Total Shareholders' Equity		3,336,890,297	3,336,890,297
Total Liabilities and Shareholders' Equity		4,787,732,530	5,593,452,070



OFF-BALANCE SHEET ITEMS

Contingent Liabilities:

Acceptances and endorsements
Letter of Guarantees
Irrevocable Letter of Credits
Bills for collection

Other Contingent Liabilities

Value of travelers' cheques in hand

Total:

Other commitments:

Documentary Credit and short term trade -related transactions
Forward assets purchased and forward deposits placed
Undrawn note issuance and revolving facilities
Undrawn formal standby facilities, credit lines and other commitments

Total Off-Balance Sheet items including contingent liabilities:

Notes	31.12.2015 Taka	31.12.2014 Taka
18		
	-	-
	143,830,000	319,766,000
	-	-
	-	-
	143,830,000	319,766,000
	-	-
	143,830,000	319,766,000
	-	-
	-	-
	-	-
	-	-
	143,830,000	319,766,000

The annexed notes form an integral part of the Balance Sheet.


Vice Chairman



Director


Director


Managing Director

Signed as per annexed report on even date

Dated: Dhaka
23 March, 2016


A. Qasem & Co.
Chartered Accountants



TRUST BANK INVESTMENT LIMITED
Profit and Loss Account
For the year ended 31 December 2015

	Notes	31.12.2015 Taka	31.12.2014 Taka
Interest income	20	104,150,509	166,648,159
Interest paid on deposits and borrowings etc.	21	3,726,769	49,595,849
Net interest income		100,423,740	117,052,310
Income from investments	22	147,022,895	49,578,035
Commission, exchange and brokerage	23	387,382	1,417,577
Other operating income	24	71,195,566	119,603,728
		218,605,843	170,599,340
Total operating income		319,029,583	287,651,650
Salaries and allowances	25	40,865,485	34,470,297
Rent, taxes, insurance, electricity, etc.	26	12,702,861	9,672,123
Legal Expense		-	172,500
Postage, stamps, telecommunications, etc.	27	1,475,681	1,355,298
Stationery, printing, advertisement etc.	28	479,437	489,834
Managing Director's salary and benefits		624,730	-
Directors' fees	29	165,000	102,000
Auditors' fee		172,500	172,500
Depreciation and repair of bank's assets	30	2,964,342	3,460,817
Other expenses	31	11,600,776	11,263,919
Total operating expenses		71,050,812	61,159,288
Profit before provision		247,978,771	226,492,362
Provision for loans & advances	32	183,665,958	111,800,516
Provision for diminution in value of investment	33	8,234,414	42,229,435
Other provision	34	-	-
		191,900,372	154,029,951
Total Profit before Taxes		56,078,399	72,462,411
Provision for Taxation			
Current tax	13.2.1	56,500,000	73,000,000
Deferred tax		(421,601)	(537,589)
		56,078,399	72,462,411
Net Profit after Taxation		-	-
Appropriations:			
Statutory Reserve		-	-
General Reserve		-	-
		-	-
Retained surplus		-	-
Earning per share (EPS)	35	-	-

The annexed notes form an integral part of the Profit & Loss Account.


Vice Chairman


Director


Director


Managing Director

Signed as per annexed report on even date

Dated: Dhaka
23 March, 2016


A. Qasem & Co.
Chartered Accountants



TRUST BANK INVESTMENT LIMITED
Cash Flow Statement
For the year ended 31 December 2015

	Notes	31.12.2015 Taka	31.12.2014 Taka
A. Cash flow from operating activities			
Interest received in cash		104,150,509	166,648,159
Interest payments		(3,726,769)	(49,595,849)
Fees and commission receipts in cash		387,382	1,417,577
Cash paid to employees		(41,490,215)	(34,470,297)
Cash paid to suppliers		(363,313)	(463,218)
Income Taxes paid		(65,836,081)	(85,821,403)
Received from other operating activities (item-wise)	36	218,218,461	169,181,763
Payments for other operating activities (item-wise)	37	(25,015,482)	(23,171,672)
Operating profit before changes in operating Assets and Liabilities		186,324,492	143,725,060
Increase/(Decrease) in operating assets & liabilities			
Net Investment in trading securities		(610,969,298)	(937,858,633)
Loan & advance to customers		1,415,148,588	303,003,273
Other assets (item-wise)	38	1,893,727	(1,946,350)
Deposits from customers		(55,007,378)	17,749,484
Other liabilities (item-wise)	39	(1,006,088,209)	777,455,061
Net cash from operating activities (A)		(68,698,078)	302,127,895
B. Cash flow from investing activities			
Purchase of property, plant & equipment		(1,069,240)	(158,550)
Purchase of Intangible Asset			(200,000)
Sale of property, plant & equipment		98,333	188,911
Net cash from investing activities (B)		(970,907)	(169,639)
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:		-	-
Other borrowings		71,331,251	(309,834,812)
Net cash from financing activities (C)		71,331,251	(309,834,812)
D. Net increase in Cash and Cash Equivalent (A+B+C)		1,662,266	(7,876,556)
E. Effects of exchange rate changes on cash and cash equivalents		-	-
F. Opening Cash and Cash Equivalent		3,522,115	11,398,671
G. Cash and cash equivalents at end of year (D+E+F)	40	5,184,381	3,522,115



TRUST BANK INVESTMENT LIMITED
Statement of changes in Equity
For the period as at 31 Decemebr 2015

	Paid up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka
Balance as at 1 January 2015	3,000,000,000	-	-	336,890,297	3,336,890,297
Changes in accounting policy	-	-	-	-	-
Restated Balance	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-
Currency transaction difference	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-
Statutory reserve	-	-	-	-	-
Balance as at 31 Dceember 2015	3,000,000,000	-	-	336,890,297	3,336,890,297



TRUST BANK INVESTMENT LIMITED
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 Decemebr 2015

Amount in Taka

Particulars	Up to 01 Month	1- 3 Months	3-12 Months	1- 5 Years	More than 5 Years	Total
<u>Assets:</u>						
Cash in Hand	-	-	-	-	-	-
Balance with Bangladesh Bank and Sonali Bank	-	-	-	-	-	-
Balance with other banks and financial institutions	5,184,381	-	-	-	-	5,184,381
Investments	1,585,479,128	-	-	-	-	1,585,479,128
Loans and Advances	316,375,207	474,562,810	790,938,017	1,581,876,035	-	3,163,752,069
Fixed Assets including premises, furniture and fixtures	-	-	-	-	8,825,161	8,825,161
Other assets	13,708,993	11,153	94,436	2,576,055	8,101,154	24,491,791
Non-banking assets	-	-	-	-	-	-
Total Assets	1,920,747,709	474,573,963	791,032,453	1,584,452,090	16,926,315	4,787,732,530
<u>Liabilities:</u>						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	129,823,381	-	-	-	-	129,823,381
Deposits	53,211,145	-	-	-	-	53,211,145
Other accounts	-	-	-	-	-	-
Provision and other liabilities	1,004,433	273,801,437	705,421,327	287,580,510	-	1,267,807,707
Total Liabilities	184,038,959	273,801,437	705,421,327	287,580,510	-	1,450,842,233
Net Liquidity Gap	1,736,708,750	200,772,526	85,611,126	1,296,871,580	16,926,315	3,336,890,297

Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Company



TRUST BANK INVESTMENT LIMITED

Notes to the Financial Statements

As at 31 December 2015

1 LEGAL STATUS AND NATURE OF THE COMPANY

1.1 Legal status of the Company

Trust Bank Investment Limited was incorporated on 09 September 2010 as a Public Limited Company bearing registration No. C-86981/10 under the Companies Act, 1994 in Bangladesh. The company accorded consent from the Securities and Exchange Commission on 25 October 2010 as a full fledged Merchant Bank bearing Certificate No. MB-45/10. The Company started its operation on 14 November 2010.

The registered office of the Company is located at 36, Dilkusha Commercial Area, Dhaka - 1000.

1.2 Nature of Business Activities

Trust Bank Investment Limited offers full range of merchant banking services that include Issue Management, Underwriting, Portfolio Management etc.

2 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis of preparation and presentation of the financial statements

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with International Accounting Standards and International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Bangladesh, The Companies Act, 1994, The Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchange's listing regulations and other laws and rules applicable in Bangladesh and in the format prescribed by Bangladesh Bank vide DFIM Circular # 11 dated 23 December 2009 in accordance with the "First Schedule" (Sec-38) of the Bank Companies Act, 1991.

2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.3 Taxation

2.3.1 Provision for taxation

In compliance with BAS-12 "Income Taxes", provision for current income tax has been made @ 37.50% on business income, @ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance 1984 and time to time amendment to issue different S.R.O and circular issued by the N.B.R.

2.4 Assets and basis of their valuation

2.4.1 Cash and cash equivalents

Cash and cash equivalents include highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the company management for its short-term commitments.



2.4.2 Investment

These are acquired and held primarily for the purpose of selling them in future or held for dividend income and reported at cost. Unrealized gains are not recognized in the Profit and Loss Account. Provision for diminution in value of investment is provided in the Financial Statements on those securities whose market price is below the cost of investment.

2.4.3 Loans and advances

Loans and advances are stated at gross amount. Provision and interest suspense against loans and advances are shown separately as liability. Interest income is accounted for on accrual basis until the loans and advances are defined as Special Mention Account (SMA) or classified accounts as per Bangladesh Bank guidelines.

2.5 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation as per BAS-16 “Property, Plant and Equipment”.

Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets other than motor vehicles and office equipment, which are depreciated on straight-line method and no depreciation on land is charged.

Category of fixed assets	Rate
Land	Nil
Building	2.5% p.a.
Furniture & Fixtures	10% p.a.
Office Equipment	20% p.a.
Motor Vehicles	20% p.a.
Office Decoration	12% p.a.

Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their acquisition and in case of sale upto the date of sale.

Repairs and maintenance costs of fixed assets are charged to profit & loss account, when incurred.

2.6 Revenue recognition

i) Interest income

In terms of the provisions of the BAS-18 “Revenue”, the interest income is recognized on accrual basis.

ii) Fees and commission income

Fees and commission income arises on services provided by the Company are credited to income at the time of effecting the transactions.

iii) Interest paid and other expenses

In terms of the provisions of the BAS-1 “Presentation of Financial Statements” interest and other expenses are recognized on accrual basis.

2.7 Earning per share (EPS)

The Company calculates Earning per Share (EPS) in accordance with BAS-33 “Earning per Share” which has been shown on the face of Profit & loss Account and the computation of EPS is stated in Note 35.

2.8 Cash flow statement

Cash Flow Statement is prepared in accordance with BAS-7 “Statements of Cash Flow” and Bangladesh Bank DFIM Circular No. 11 dated 23 December 2009 issued by Bangladesh Bank.



2.9 Statement of liquidity

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases:

- Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- Investments are on the basis of their maturity.
- Loans and advances and lease receivables are on the basis of their repayment / maturity schedule.
- Fixed assets are on the basis of their useful life.
- Other assets are on the basis of their realization/adjustment.
- Borrowing from other banks, financial institutions and agents as per their maturity /repayment term.
- Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- Other long term liabilities on the basis of their maturity term.
- Provisions and other liabilities are on the basis of their payment /adjustment schedule.

2.10 Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Investment Limited applied most of the BAS and BFRS, details of which are given below:

Name of BAS	BAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Date	10	Applied
Construction Contracts	Applied11	N/A
Income Taxes	12	Applied
Segment Reporting	14	Applied
Property, Plant and Equipment	16	Applied
Lease	Applied17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	Applied20	N/A
The effects of Changes in Foreign Exchange Rate	21	N/A
Borrowing Cost	23	Applied
Related Party Disclosures	24	Applied
Accounting for Investments	25	Applied



Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Disclosures in the Financial Statements of Banks and similar Financial Institutions	30	Applied
Interest in Joint Ventures	Applied ³¹	N/A
Earnings per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied
Investment Property	40	Applied
Agriculture	41	N/A
Name of BFRS	BFRS No.	Status
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	N/A
Operating Segments	8	N/A

2.11 General

- Figures have been rounded off to the nearest taka.
- Prior years figure shown for comparison purpose, have been rearranged whenever necessary to confirm to current year's presentation.



3 CASH

3.1 Cash in hand

In local currency
In foreign currencies

31.12.2015 Taka	31.12.2014 Taka
-	-
-	-
-	-

4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS

In Bangladesh
Special Notice Deposits
Trust Bank Limited

Outside Bangladesh

5,184,381	3,522,115
5,184,381	3,522,115
-	-
5,184,381	3,522,115

4.1 Remaining maturity grouping of balance with other banks and financial institutions

On demand
Upto 1 month
Over 1 month but not more than 3 months
Over 3 months but not more than 1 Year
Over 1 Year but not more than 5 Years
Over 5 Years

-	-
5,184,381	3,522,115
-	-
-	-
-	-
-	-
5,184,381	3,522,115

5 MONEY AT CALL AND SHORT NOTICE

-	-
-	-

6 INVESTMENTS

Government Securities

Other Investments

Ordinary Shares

Quoted

Unquoted

-	-
1,585,479,128	974,509,830
-	-
1,585,479,128	974,509,830
1,585,479,128	974,509,830

6.1 Remaining maturity grouping of Investments

On demand
Upto 1 month
Over 1 month but not more than 3 months
Over 3 months but not more than 1 Year
Over 1 Year but not more than 5 Years
Over 5 Years

-	-
1,585,479,128	974,509,830
-	-
-	-
-	-
-	-
1,585,479,128	974,509,830



7 LOANS AND ADVANCES

Loans and Advances

Loan to Investors

31.12.2015 Taka	31.12.2014 Taka
3,163,752,069	4,578,900,657
3,163,752,069	4,578,900,657

7.1 Residual maturity grouping of Loans and Advances

Repayable on demand

Upto 1 month

Over 1 month but not more than 3 months

Over 3 months but not more than 1 Year

Over 1 Year but not more than 5 Years

Over 5 Years

-	-
3,163,752,069	4,578,900,657
-	-
-	-
-	-
-	-
3,163,752,069	4,578,900,657

7.2 Loans and Advances

Inside Bangladesh

Loans

Cash Credit

Overdraft

Bills purchased and discounted

Outside Bangladesh

3,163,752,069	4,578,900,657
-	-
-	-
-	-
3,163,752,069	4,578,900,657
-	-
3,163,752,069	4,578,900,657

7.3 Loans and Advances on the basis of significant concentration

7.3.1 Advances to Directors and Others

Advance to Directors and their allied concerns

Advances to CEO and Senior Executives

Advances to Customers (Group wise)

Others Loan

-	-
-	-
-	-
3,163,752,069	4,578,900,657
3,163,752,069	4,578,900,657

7.3.2 Geographical location-wise concentration of Loans and Advances

Inside Bangladesh

Dhaka Division

Chittagong Division

Khulna Division

Sylhet Division

Barisal Division

Rangpur Division

Rajshahi Division

Outside Bangladesh

3,163,752,069	4,578,900,657
-	-
-	-
-	-
-	-
-	-
-	-
3,163,752,069	4,578,900,657
-	-
3,163,752,069	4,578,900,657



7.4 Classification of Loans and Advances including Bills Purchased and Discounted

	31.12.2015 Taka	31.12.2014 Taka
a Unclassified Loans and Advances (including staff loan)	3,163,752,069	4,578,900,657
b Special Mentioned Accounts		
c Classified Loans and Advances		
1 Sub-Standard Loans and Advances	-	-
2 Doubtful Loans and Advances	-	-
3 Bad /Loss Loans and Advances	-	-
	-	-
	3,163,752,069	4,578,900,657

8 FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES

Cost		
Furniture and fixtures	2,309,553	2,247,953
Office equipment	9,455,029	8,547,389
Office renovation	11,741,590	11,741,590
	23,506,172	22,536,932
Less: Accumulated depreciation	14,681,011	12,045,617
	8,825,161	10,491,315

For details please refer to Annexure - A

9 OTHER ASSETS

i) Stationery, stamps, printing materials in stock etc.;	16,646	14,210
ii) Advance Rent and Advertisement	6,081,916	7,015,184
iv) Security Deposits	222,992	222,992
ix) Others	18,170,237	18,775,767
	24,491,791	26,028,153

9.1 Others

Intangible Assets	94,436	161,108
Deferred Tax Asset	1,796,246	1,374,645
Brokers Account	73	70
Sundry Debtors	13,703,427	17,239,944
ASI Block	1,095,550	-
ASI Waiver	1,480,505	-
	18,170,237	18,775,767

Deferred Tax Asset		
Balance as on 01 January	1,374,645	837,056
Addition during the year	421,601	537,589
Closing Balance	1,796,246	1,374,645

9.1.1 To maintain the deferred tax Asset of Tk. 1,796,246 as on 31 December 2015, a deferred tax Income of Tk. 421,601 has been made during the year ended 31 December 2015 as per BAS-12 -Income Taxes.

9.2 Break-up of Other Assets

Income generating other assets	-	-
Non income generating other asset	24,491,791	26,028,153
	24,491,791	26,028,153
	-	-



		31.12.2015 Taka	31.12.2014 Taka
10	NON BANKING ASSET		
11	BORROWINGS		
	In Bangladesh		
	Borrowing from Trust Bank Limited	129,823,381	58,492,130
		129,823,381	58,492,130
	Outside Bangladesh	-	-
		129,823,381	58,492,130
11.1	Security wise borrowings		
	Secured Borrowings	129,823,381	58,492,130
	Unsecured Borrowings	-	-
		129,823,381	58,492,130
11.2	Repayment nature wise borrowings		
	Repayment on Demand	-	-
	Others	129,823,381	58,492,130
		129,823,381	58,492,130
11.3	Remaining maturity grouping of Borrowings from other banks, financial institutions and agents		
	Payable		
	On demand	-	-
	Upto 1 month	129,823,381	58,492,130
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 Year	-	-
	Over 1 Year but within 5 Years	-	-
	Over 5 Years	-	-
		129,823,381	58,492,130
12	DEPOSITS AND OTHER ACCOUNTS		
	Current and Other Accounts	53,211,145	108,218,523
		53,211,145	108,218,523

12.1 Remaining maturity grouping of Deposits and other accounts

Inside Bangladesh	Banks	Other than Banks
Payable		
On demand	-	-
Upto 1 month	-	53,211,145 53,211,145 108,218,523
Over 1 month but within 3 months	-	-
Over 3 months but within 1 Year	-	-
Over 1 Year but within 5 Years	-	-
Over 5 Years	-	-
	-	53,211,145 53,211,145 108,218,523
Outside Bangladesh	-	-
	-	53,211,145 53,211,145 108,218,523



12.2 Unclaimed Deposits for 10 Years and Above

13 OTHER LIABILITIES

Provision for Loans and Advances	13.1	286,100,005	664,799,933
Provision for Investment		52,969,730	44,735,316
Interest Suspense Account		877,527,645	869,978,685
Provision for Income Tax Less Advance Income Tax	13.2	43,506,126	52,842,207
Accrued Expenses		5,799,181	7,126,939
Audit Fees Payable		172,500	172,500
Sundry Creditors		8,450	450,013,026
Provision for ASI		1,480,505	-
Others		243,565	182,514
		1,267,807,707	2,089,851,120

13.1 Provision for Loans and Advances

Specific Provision			
Against Classified Loans & Advances		-	-
General Provision			
Against Unclassified Loans & Advances	13.1.1	286,100,005	664,799,933
Against Special Mention Accounts		-	-
Against Off Balance Sheet Exposures		-	-
		286,100,005	664,799,933
		286,100,005	664,799,933

13.1.1 Against Unclassified Loans & Advances

Provision held on 01 January	664,799,933	738,321,654
Provision made during the year	183,665,958	-
Provisions adjusted during the year	(562,365,886)	(73,521,721)
Provision held at end of year	286,100,005	664,799,933

13.1.1.1 As per BSEC circular# SEC/CMRRCD/2009-193/181 dated: December 08, 2015 Merchant Banks are required to keep 20% provision for the unrealized loss in clients portfolio at the year ending as on December 31, 2015 and TBIL has Interest Suspense of Tk. 877,527,645 and Loan provision of Tk. 286,100,005 as on December 31, 2015 totaling Tk. 1,163,627,650 against negative equity of Tk. 1,528,538,615 as on December 31, 2015.

13.2 Provision for Income Tax Less Advance Income Tax

Provision for Income Tax		
Balance on 01 January	488,112,785	415,112,785
Provisions made during the year	56,500,000	73,000,000
Provision made for previous year(s)	-	-
Settlement for previous year(s)	-	-
	544,612,785	488,112,785
Less: Advance Income Tax		
Balance on 01 January	435,270,578	349,449,175
Paid during the year	65,836,081	85,821,403
Settlement for previous year(s)	-	-
	501,106,659	435,270,578
Net Closing Balance	43,506,126	52,842,207



- 13.2.1** Provision for current tax of Tk. 56,500,000.00 has been made @ 37.50% on Business Income and @ 20% on Dividend Income and 10% on Capital Gain, of the accounting profit made by the Company during the year after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.

14 CAPITAL

14.1 Authorized Capital

50,000,000 Ordinary shares of Tk. 100 each

31.12.2015 Taka	31.12.2014 Taka
5,000,000,000	5,000,000,000

14.2 Issued, Subscribed and Paid Up Capital

30,000,000 Ordinary shares of Tk. 100 each issued for cash	3,000,000,000	3,000,000,000
30,000,000	3,000,000,000	3,000,000,000

14.3 Pattern of shareholdings

Name	Nos. of shares subscribed		
Trust Bank Limited represented by General Abu Belal Muhammad Shafiul Huq, ndc, psc	29,999,993	2,999,999,300	2,999,999,300
Maj Gen Md. Mahfuzur Rahman,rcds,ndc,afwc,psc, PhD	1	100	100
Brig Gen Md Zakir Hossain, psc,te	1	100	100
Brig Gen Mehdi Hassan, ndc, afwc, psc	1	100	100
Mr. Ashrafuzzaman Khan	1	100	100
Mr. Ishtiaque Ahmed Chowdhury	1	100	100
Mr. Abu Zafar Hedaytul Islam	1	100	100
Mr. Shahud Ahmed	1	100	100
Mr. Shahedul Islam	NIL	NIL	NIL
Total	30,000,000	3,000,000,000	3,000,000,000

14.4 Percentage of shareholdings at the closing date

	Amount (in Taka)	Percentage (%)
Sponsors	3,000,000,000	100.00%
Financial Institutions	-	0.00%
Foreign Investors	-	0.00%
Non-Resident Bangladeshi	-	0.00%
General Public	-	0.00%
Total	3,000,000,000	100.00%



31.12.2015
Taka

31.12.2014
Taka

14.5 Shareholding Range on the basis of shareholdings as on 31 December 2015

Shareholding Range			No. of Sh. Holders	Number of Shares	%
1	to	500	7	7	0.00%
501	to	5,000	0	-	0.00%
5,001	to	10,000	0	-	0.00%
10,001	to	20,000	0	-	0.00%
20,001	to	30,000	0	-	0.00%
30,001	to	40,000	0	-	0.00%
40,001	to	50,000	0	-	0.00%
50,001	to	100,000	0	-	0.00%
100,001	to	1,000,000	0	-	0.00%
1,000,001	and More		1	29,999,993	100.00%
Total			8	30,000,000	100.00%

15 STATUTORY RESERVE

Opening Balance	-	-
Reserve made during the year	-	-
Closing Balance	-	-

16 OTHER RESERVE

-	-
-	-

17 RETAINED EARNINGS

Opening Balance	336,890,297	336,890,297
Adjustment of Deferred Tax	-	-
	336,890,297	336,890,297
Net Profit for the year transferred from Profit and Loss Account	-	-
Less: Issue of Bonus Share	-	-
Less: Transferred to Statutory Reserve	-	-
	-	-
Closing Balance	336,890,297	336,890,297

18 CONTINGENT LIABILITIES AND COMMITMENTS

18.1 Claims against the Company not acknowledged as debts

Money for which the Company is contingently liable in respect of guarantee given favoring:

Directors	-	-
Government	-	-
Banks and other Financial Institution	-	-
Others	143,830,000	319,766,000
	143,830,000	319,766,000



19 INCOME STATEMENTS

Income:

Interest/Profit, discount and similar income

Fees, commission and brokerage

Gains less losses arising from investment securities

Other operating income

Expenses:

Interest / profit paid on deposits, borrowings etc,

Administrative expenses

Other operating expenses

Depreciation on banking assets

	31.12.2015 Taka	31.12.2014 Taka
	104,150,509	166,648,159
	387,382	1,417,577
	147,022,895	49,578,035
	71,195,566	119,603,728
	322,756,352	337,247,499
	3,726,769	49,595,849
	56,485,694	46,434,552
	14,237,837	14,270,492
	327,281	454,244
	74,777,581	110,755,137
	247,978,771	226,492,362
	101,477,375	166,648,159
	101,477,375	166,648,159
	2,673,134	-
	2,673,134	-
	104,150,509	166,648,159

20 INTEREST INCOME

Interest from Loans and Advances

Interest on Other Loans

Interest from Banks and Other Financial Institutions

Interest on Special Notice Deposits

As of reporting date, an aggregate amount of Tk. 877,527,645 have been transferred to "Interest Suspense Account" instead of "Interest from Loans and Advances" as these income charged to negative equity holders account which were doubtful of recovery.

21 INTEREST PAID ON DEPOSITS AND BORROWINGS

Interest paid on deposits

Interest on TBIL Depositors Account

Interest paid on borrowings

Interest on Other Borrowings

	1,443,493	2,366,974
	1,443,493	2,366,974
	2,283,276	47,228,875
	2,283,276	47,228,875
	3,726,769	49,595,849
	147,022,895	49,578,035
	147,022,895	49,578,035
	37,382	78,514
	-	600,000
	350,000	739,063
	387,382	1,417,577
	-	-
	387,382	1,417,577

22 INCOME FROM INVESTMENTS

23 Commission on

Introductory Commission

Manager to the Issue Commission

Underwriting Commission

Foreign Currency Exchange Gain



24 OTHER OPERATING INCOME

	31.12.2015 Taka	31.12.2014 Taka
Documentation Charges	28,850	21,740
BO Account Transaction Fees	617,717	-
Account Maintenance Fee	465,800	539,900
Port Folio Management Fees	38,912,447	65,109,145
Port Folio Transaction Fees	27,428,247	50,593,873
Other Service Charges	3,742,225	3,336,540
Miscellaneous Earnings	280	2,530
	71,195,566	119,603,728

25 Salaries and allowances

Basic Salary	14,293,197	12,747,709
House Rent Allowances	7,146,598	6,373,855
Conveyance Allowances	859,483	785,376
Medical Allowances	2,848,989	2,509,605
Leave Fare Assistances	1,043,663	908,776
Festival Bonus	2,423,700	2,335,600
Incentive Bonus	4,695,482	6,078,526
Employer's Contribution to Provident Fund	1,419,431	1,263,762
Employer's Contribution to Employees' Gratuity Fund	6,134,942	1,467,088
	40,865,485	34,470,297

26 RENT, TAXES, INSURANCE, ELECTRICITY, ETC.

Rent with car parking	10,446,401	6,811,831
Electricity and Lighting	1,540,991	821,700
Insurance	52,220	68,978
Rates, Taxes & Excise Duty	60,000	1,034,781
Fees & Renewals	430,732	738,713
Gas/Water Bill	172,517	196,120
	12,702,861	9,672,123

27 POSTAGE, STAMPS, TELECOMMUNICATION, ETC.

Stamp	11,364	9,396
Online Expenses	1,214,551	902,289
Internet Charge	23,805	104,305
Courier Charge	15,226	37,543
Telegram, Telex, Telephone set, Mobile bill etc.	210,735	301,765
	1,475,681	1,355,298

28 STATIONERY, PRINTING, ADVERTISEMENT, ETC.

Printing and Stationery	360,877	471,854
Publicity and Advertisement	118,560	17,980
	479,437	489,834



29 DIRECTORS' FEES

Meeting fees @ Taka 3,000 per Director

31.12.2015 Taka	31.12.2014 Taka
165,000	102,000
165,000	102,000

30 Depreciation and repair of bank's assets

Depreciation

Fixed assets

For details please refer to Annexure - A

Repairs

Furniture and fixtures

Office equipment, com access, repal elec light

Company's vehicles

Maintenance-software

2,637,061	3,006,573
23,150	56,100
116,031	363,144
-	-
188,100	35,000
327,281	454,244
2,964,342	3,460,817

31 OTHER EXPENSES

Travelling Expense-Local

Training Expense

Utility & Service Charge

Conveyance

Entertainment

Bank Charges

Car Expenses

News Paper and Magazine

Books and Periodicals

Other Contractual Service

Internship Allowances

Upkeep of Office Premises

Washing Charges

CDBL Charge

Purchase of Utensils

Wages paid to Temporary Employees

Amortization of Intangible Assets

Write off Loan-For ASI

16,700	39,628
61,000	-
170,337	259,014
71,820	102,059
445,646	420,842
40,898	55,890
1,352,800	788,100
32,843	46,662
1,260	1,300
4,544,811	3,793,647
24,000	12,000
355,929	398,518
7,665	9,170
2,528,161	5,289,497
11,000	8,700
3,430	-
66,672	38,892
1,865,804	-
11,600,776	11,263,919

32 PROVISION FOR LOANS AND ADVANCES

Specific Provisions-against classified loans & advances

General Provisions-against un-classified loans & advances

General Provisions-against special mentioned accounts

-	-
183,665,958	111,800,516
-	-
183,665,958	111,800,516



33

PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:

Decline in value of investment should consist of the following divisions:

	31.12.2015 Taka	31.12.2014 Taka
(a) Dealing securities		
- Quoted	-	-
- Unquoted	-	-
	-	-
(b) Investment securities		
- Quoted	8,234,414	42,229,435
- Unquoted	-	-
	8,234,414	42,229,435
	8,234,414	42,229,435

Provision for Investment in Share has been made as per DFIM Circular No. 11 dated 23 December 2009 issued by Bangladesh Bank.

34

OTHER PROVISION

General Provision for Off Balance Sheet Exposures
Provision for Other Assets

-	-
-	-
-	-

35

EARNING PER SHARE (EPS)

Profit attributable to outstanding ordinary share holders

Share Outstanding before right issue

Share Outstanding as on 1 January

Issue of Bonus Share

-	-
30,000,000	30,000,000
-	-
30,000,000	30,000,000

Earning per Share

-	-
---	---

36

INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES

Documentation Charge

BO Account Transaction Fees

Account Maintenance Fee

Port Folio Management Fees

Port Folio Transaction Fees

Other Service Charge

Income from Investment

Miscellaneous Earnings

28,850	21,740
617,717	-
465,800	539,900
38,912,447	65,109,145
27,428,247	50,593,873
3,742,225	3,336,540
147,022,895	49,578,035
280	2,530
218,218,461	169,181,763

37

EXPENSES PAID FOR OTHER OPERATING ACTIVITIES

Travelling Expense

Training Expense

Utility & Service Charge

Conveyance

Entertainment

Bank charges

Car Expenses

News Paper and Periodicals

Books and Periodicals

(16,700)	(39,628)
(61,000)	-
(170,337)	(259,014)
(71,820)	(102,059)
(445,646)	(420,842)
(40,898)	(55,890)
(1,352,800)	(788,100)
(32,843)	(46,662)
(1,260)	(1,300)



	31.12.2015 Taka	31.12.2014 Taka
Other Contractual Service	(4,544,811)	(3,793,647)
Internship Allowances	(24,000)	(12,000)
Up Keep of Office Premises	(355,929)	(398,518)
Washing Charges	(7,665)	(9,170)
CDBL Charge	(2,528,161)	(5,289,497)
Purchase of Utensils	(11,000)	(8,700)
Wages paid to Temporary Employees	(3,430)	-
Publicity and Advertisement	(118,560)	(17,980)
Rent, Taxes, Insurance, Lighting etc.	(12,702,861)	(9,672,123)
Postage, Telegram, Telephone	(1,475,681)	(1,355,298)
Audit Fee	(172,500)	(172,500)
Legal Expense	-	(172,500)
Directors Fees	(165,000)	(102,000)
Repairs and maintenance of Fixed Assets	(327,281)	(454,244)
Write off Loan-For ASI	(385,299)	-
	(25,015,482)	(23,171,672)
38 CHANGES IN OTHER OPERATING ASSETS		
Security Deposits	-	-
Advance Rent	933,268	2,862,336
Suspense Account	-	-
ASI Block	(1,095,550)	-
ASI Waiver	(1,480,505)	-
Others	3,536,514	(4,808,686)
	1,893,727	(1,946,350)
39 CHANGES IN OTHER LIABILITIES		
Interest Suspense Account	(554,816,926)	327,299,050
Sundry Creditors	(450,004,576)	449,259,659
Accrued Expense	(1,327,758)	876,888
Others	61,051	19,464
	(1,006,088,209)	777,455,061
40 CLOSING CASH AND CASH EQUIVALENT		
Balance with Other Bank and Financial Institutions	5,184,381	3,522,115
	5,184,381	3,522,115

41 EXPENDITURE INCURRED FOR EMPLOYEES

Salaries, allowances and benefits

Number of employees at 31 December 2015 was 31; (31 December 2014 was 31) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of not less than TK. 3,000 per month.

42 AUDIT COMMITTEE

Since the Company started its operation on 14 November 2010, the Board of Directors of the Company yet to form any Audit Committee as on reporting date.



43. Related Party Disclosures

a) Name of Directors and their interest in different Entities as on 31 December 2015

SL	Name of the Directors	Status	Entities where they have interest	% of Interest
1.	Gen Abu Belal Muhammad Shafiul Huq, ndc, psc	Chairman (Representing Trust Bank Ltd.)	Sena Kalyan Sangstha – Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd. – Chairman, Board of Directors	Nominated
			Bangladesh Machine Tools Factory Ltd. – Chairman, Board of Directors	Nominated
			Army Welfare Trust – Chairman, Board of Trustees	Nominated
			Trust Bank Limited – Chairman, Board of Directors	Nominated
			Military Institute of Science & Technology – Vice Chairman	Nominated
			Council of the College – Armed Forces Medical College, Chairman	Nominated
			Sena Paribar Kalyan Samiti – Chief Patron	Nominated
			Advisory Committee of Proyash – President	Nominated
			National Defence College & Defence Services Command and Staff College Governing Body – Vice Chairman	Nominated
			Bangladesh Golf Federation – President	Nominated
			Kurmitola Golf Clubs – President	Nominated
2.	Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD	Vice Chairman (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Sena Kalyan Sangstha – Vice Chairman, Board of Trustees	Nominated
			Sena Kalyan Sangstha – Chairman, Management Committee	Nominated
			Sena Hotel Development Ltd. – Vice Chairman, Board of Directors	Nominated
			Army Welfare Trust – Vice Chairman, Board of Trustees	Nominated
			Trust Transport Services – Chairman, Board of Directors	Nominated
			Army Housing Scheme – Chairman, Board of Directors	Nominated
			Governing Bodies of Cadet Colleges – Chairman	Nominated
			Trust Technical Training Institute – Chairman, Board of Directors	Nominated
			Trust Bank Limited – Vice-Chairman, Board of Directors	Nominated
			Trust Bank Securities Limited – Chairman, Board of Directors	Nominated
3.	Brig Gen Md Mehdi Hassan, SGP ndc, afwc, psc	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Trust Bank Limited – Director, Board of Directors	Nominated
			Trust Bank Securities Limited – Vice Chairman, Board of Directors	Nominated
			Trust Technical Training Institute – Director, Board of Directors	Nominated
			Trust Overseas Recruiting Agency – Director, Board of Directors	Nominated
4.	Mr. Ashrafuzzaman Khan	Independent Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Executive Attire Limited – Managing Director	-
			Trust Bank Limited – Independent Director, Board of Directors	-
			Trust Bank Securities Limited – Independent Director, Board of Directors	Nominated



5.	Mr. Shahedul Islam	Independent Director (Nominated by Trust Bank Ltd.)	Bengal Pacific (Pvt.) Ltd. – Managing Director	-
			Bengal Braided Rugs Limited – Managing Director	-
			Promises Medical Ltd. – Chairman	-
			Bengal Poly & Paper Sack Ltd. – Director	Nominated
			Trust Bank Limited – Independent Director, Board of Directors	-
6.	Brig Gen Md Zakir Hossain, psc, te	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Army Welfare Trust (AWT) – Managing Director	Ex-Officio
			Sena Hotel Development Limited – Director	Nominated
			Trust Technical Training Institute – Director, Board of Directors	Nominated
			Trust Bank Limited – Director, Board of Directors	Nominated
			Trust Bank Securities Limited – Director, Board of Directors	Nominated
8.	Mr. Ishtiaque Ahmed Chowdhury	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Trust Bank Limited – Managing Director & CEO	Service
			Trust Bank Securities Limited – Director, Board of Directors	Nominated
9.	Mr. Abu Zafar Hedaytul Islam	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Trust Bank Limited – Deputy Managing Director	Service
			Trust Bank Securities Limited – Director & Managing Director, Board of Directors	Nominated

- b) Significant contracts where Company is a party and wherein Directors have interest: Nil
- c) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil
- d) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act – 1991: Not applicable
- e) Investments in the Securities of Directors and their related concern: Not applicable

44. FINANCIAL HIGHLIGHTS

As per DFIM Circular # 11, dated 23 December 2009, Financial Highlights of the Company for the year ended on 31 December 2015 has been shown in Annexure - B.


Vice Chairman


Director


Director


Managing Director



Annexure - A

Schedule of Fixed Assets As at 31 December 2015

PARTICULARS	COST				DEPRECIATION				Written down value 31 December 2015
	Balance on 1 January 2015	Additions during the year	Disposal/ adjustment during the year	Balance at 31 December 2015	Balance on 1 January 2015	Charge for the year	Disposal/ adjustment during the year	Balance at 31 December 2015	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Furniture and Fixtures	2,247,953	161,600	100,000	2,309,553	798,252	163,821	1,667	960,406	1,349,147
Office Equipment	8,547,389	907,640	-	9,455,029	6,772,816	1,601,198	-	8,374,014	1,081,015
Office Renovation	11,741,590	-	-	11,741,590	4,474,549	872,042	-	5,346,591	6,394,999
31 December 2015	22,536,932	1,069,240	100,000	23,506,172	12,045,617	2,637,061	1,667	14,681,011	8,825,161
31 December 2014	22,617,558	158,550	239,176	22,536,932	9,089,309	3,006,573	50,265	12,045,617	10,491,315



Annexure - B

SI No	Particulars	Base	31.12.2015	31.12.2014
1	Paid up Capital	Taka	3,000,000,000	3,000,000,000
2	Total Capital	Taka	3,336,890,297	3,336,890,297
3	Total Assets	Taka	4,787,732,530	5,593,452,070
4	Total Deposits	Taka	53,211,145	108,218,523
5	Total Loans and Advances	Taka	3,163,752,069	4,578,900,657
6	Credit Deposit Ratio	%	5,945.66	4,231.16
7	Profit after tax and provision	Taka	-	-
8	Provisions kept against classified loan	Taka	-	-
9	Cost of fund (Deposit Cost & Administrative Cost)	%	-	-
10	Interest earning Assets	Taka	4,754,415,578	5,556,932,602
11	Non-interest earning Assets	Taka	33,316,952	36,519,468
12	Return on Investment (ROI)	%	-	-
13	Return on Asset (ROA)	%	-	-
14	Income from Investment	Taka	147,022,895	49,578,035
15	Earning per Share	Taka	-	-
16	Net income per Share	Taka	-	-
17	Price Earning Ratio	%	-	-
18	Operating Profit	Taka	247,978,771	226,492,362
19	Pre tax Profit	Taka	247,978,771	226,492,362
20	Post Tax Profit	Taka	-	-
21	CSR	Taka	-	-
22	Net Asset Value (NAV)	Taka	3,336,890,297	3,336,890,297
23	NAV Per Share	Taka	111.23	111.23

Auditors' Report & Audited Financial Statements of Trust Bank Securities Limited





AUDITORS' REPORT
to the Shareholders of
Trust Bank Securities Limited

Introduction

We have audited the accompanying financial statements of Trust Bank Securities Limited “(the Company)” which comprise the Statement of Financial Position as at 31st December 2015 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at December 31, 2015 and its financial performance and its cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other applicable laws and regulations.

We further report that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;



- iii) The statement of financial position dealt with by the report are in agreement with the books of account;
- iv) The financial position of the company as at 31st December 2015 been properly reflected in the financial statements, and the financial statements have been prepared in accordance with the generally accounting Principles;
- v) The financial statements conform to the prescribed standards set in the accounting regulations after consultation with the professional accounting bodies of Bangladesh;
- vi) The information and explanations required by us have been received and found satisfactory;

Date: Dhaka
16 March 2016

Auditors

Hussain Farhad & Co.
Chartered Accountants



TRUST BANK SECURITIES LIMITED

Statement of Financial position

As at 31st December 2015

	Note	31.12.2015 Taka	31.12.2014 Taka
ASSETS:			
Non-current Assets			
Property, Plant & Equipment	2	2,111,978	2,257,284
Intangible Assets	3	388,889	722,222
Membership of DSE at Cost	4	321,720,000	321,720,000
Preliminary Expenses	5	-	-
Pre-operational Expenses	6	-	-
Deferred Tax Assets	7	121,455	30,293.00
		324,342,322	324,729,799
Current Assets			
Receivables from Clients	8	170,700	209,543
Receivables from DSE	9	-	-
Deposits & Prepayments	10	204,000	204,000
Other Current Assets	11	6,909,575	2,559,550
Cash & Cash Equivalents	12	37,349,101	32,745,706
		44,633,376	35,718,799
Total Assets		368,975,698	360,448,598
SHAREHOLDERS' EQUITY & LIABILITIES:			
Shareholders Equity			
Ordinary Share Capital	13	350,000,000	350,000,000
Retained Earnings		(2,403,718)	(3,598,437)
		347,596,282	346,401,563
Current Liabilities			
Payables to Clients	14	9,269,740	4,855,790
Payables to Dhaka Stock Exchange	15	4,093,026	5,488,053
Other Liabilities	16	8,016,650	3,703,192
		21,379,416	14,047,035
Total Shareholders' Equity & Liabilities		368,975,698	360,448,598

(The annexed notes 1 to 26 form an integral part of these financial statements)


Vice Chairman


Director


Director


Managing Director

Signed as per our annexed report of even date

Date: Dhaka
16 March 2016


Hussain Farhad & Co.
Chartered Accountants



TRUST BANK SECURITIES LIMITED
Statement of Comprehensive Income
For the year ended 31st December 2015

	Note	31.12.2015 Taka	31.12.2014 Taka
Operating Income:			
Brokerage Commission		15,163,150	10,578,473
Other Income	17	1,489,925	1,359,794
		16,653,075	11,938,267
Less : Direct Expenses			
Howla Charge		-	89,752
Laga Charge		1,405,136	833,210
CDBL Charge		487,446	155,124
		1,892,582	1,078,086
Profit before Operating Exp.		14,760,493	10,860,181
Less : Operating Expenses			
Salaries and Allowances	18	6,412,055	4,856,691
Rent, Taxes, Insurance, Electricity etc.	19	904,229	558,351
Postage, Stamps, Telecommunications, etc.	20	827,237	845,129
Stationery, Printing, Advertisement etc.		98,944	90,858
Director's Fees		24,000	-
Auditors' Fees		57,500	57,500
Depreciation, Amortization and repair of bank's assets	21	931,139	773,453
Other Expenses	22	1,355,781	2,648,447
		10,610,885	9,830,429
Net Profit/(Loss) before Tax		4,149,608	1,029,752
Provision for diminution in Value of Investment		(155,130)	(15,106)
Total Profit before Taxes		3,994,478	1,014,646
Provision for Taxes			
Provision for Current Tax		(2,890,922)	(2,174,004)
Deferred Tax Income		91,163	30,293
		(2,799,759)	(2,143,711)
Net Profit/(Loss) after Tax		1,194,719	(1,129,065)


Vice Chairman


Director


Director


Managing Director

Signed as per our annexed report of even date

Date: Dhaka
16 March 2016


Hussain Farhad & Co.
Chartered Accountants



TRUST BANK SECURITIES LIMITED
Statement of Changes in Equity
For the year ended 31st December 2015

Particulars	Paid up Capital	Other Reserve	Retained Earnings	Total
Opening Balance as at 1st January 2015	350,000,000	-	(3,598,437)	346,401,563
Changes in accounting policy	-	-	-	-
Adjustment for prior period error	-	-	-	-
Restated Opening Balance	-	-	(3,598,437)	346,401,563
Changes in equity for the year ended 31st December 2015				
Issue of share capital		-	-	-
Income for the year	-	-	1,194,719	1,194,719
Dividend	-	-	-	-
Balance as at 31st December 2015	350,000,000	-	(2,403,718)	347,596,282

Particulars	Paid up Capital	Other Reserve	Retained Earnings	Total
Opening Balance as at 1st January 2014	350,000,000	-	(2,469,372)	347,530,628
Changes in accounting policy	-	-	-	-
Adjustment for prior period error	-	-	-	-
Restated Opening Balance	-	-	(2,469,372)	347,530,628
Changes in equity for the year ended 31st December 2014				
Issue of share capital		-	-	-
Income for the year	-	-	(1,129,065)	(1,129,065)
Dividend	-	-	-	-
Balance as at 31st December 2014	350,000,000	-	(3,598,437)	346,401,563


Vice Chairman


Director


Director


Managing Director

Signed as per our annexed report of even date

Date: Dhaka
16 March 2016


Hussain Farhad & Co.
Chartered Accountants



TRUST BANK SECURITIES LIMITED
Statement of Cash Flows
For the year ended 31st December, 2015

	Notes	2015	2014
A Cash Flow from Operating Activities			
Interest received in cash		-	-
Interest payments		-	-
Dividend receipts		-	-
Fees and commission receipts in cash		-	-
Recoveries of loans previously written off		-	-
Cash paid to employees		-	-
Cash paid to suppliers		-	-
Income Taxes paid		(3,027,991)	(2,174,004)
Received from other operating activities	23	16,692,442	11,753,545
Payments from other operating activities	24	(11,597,099)	(10,116,709)
Operating profit before changes in operating Assets and Liabilities		2,067,352	(537,168)
Increase/(Decrease) in Operating Assets & Liabilities			
Statutory Deposits		-	-
Net investment in trading securities		-	-
Loan & advance to other banks		-	-
Loan & advance to customers		-	-
Others assets	25	(1,322,557)	1,352,096
Deposit from other Banks		-	-
Deposit from other customers		-	-
Others liabilities accounts of customers		-	-
Trading liabilities		-	-
Other liabilities	26	4,286,328	9,899,219
Net Cash from Operating Activities (A)		5,031,123	10,714,147
B Cash Flow from Investing Activities			
Proceeds from sale of securities		-	-
Payments of purchase of government securities		-	-
Membership (DSE)		-	-
Purchase of property, plant & equipment		(427,728)	(2,777,850)
Purchase of intangible assets		-	-
Sale of property, plant & equipment		-	-
Net Cash from Investing Activities (B)		(427,728)	(2,777,850)
C Cash Flow from Financing Activities			
Paid up capital		-	-
Increase/(Decrease) in Borrowing:		-	-
Call loan		-	-
Re- Purchase agreement (REPO)		-	-
Other borrowings		-	-
Share capital A/c		-	-
Share premium A/c		-	-
Dividend paid in cash		-	-
Net Cash from Investing Activities (C)		-	-
D Net increase in Cash and Cash Equivalent (A+B+C)		4,603,395	7,936,297
E Effects of exchange rate changes on Cash and Cash Equivalents		-	-
F Opening Cash and Cash Equivalent		32,745,706	24,809,409
G Cash and Cash Equivalents at end of year (D+E+F)		37,349,101	32,745,706



TRUST BANK SECURITIES LIMITED

Notes to the Financial Statements

As at 31st December 2015

1 LEGAL STATUS AND NATURE OF THE COMPANY

1.1 Legal Status of the Company:

Trust Bank Securities Limited was incorporated on 7th February 2013 as a Private Limited Company bearing registration No. C-107267/13 under the Companies Act, 1994. The registered office of the company is located at 28, North Kafrul, Dhaka Cantonment, Dhaka-1206. The Company has an authorized share capital of Tk. 2,000,000,000 (Two hundred crore Taka) only divided into 200,000,000 ordinary shares of Tk. 10/- each and a paid up capital of Tk. 350,000,000 only divided into 35,000,000 ordinary shares of TK.10/- each.

1.2 Nature of Business Activities:

Trust Bank Securities Limited offers full range Business of stock Brokers that includes buy and sell of shares & securities, Fixed income Securities, Bonds, Debentures etc.

1.3 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1.3.1 Basis of Preparation of the Financial Statements :

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh, The Companies Act, 1994, Bangladesh Securities & Exchange Commission Act, Rules and other laws and rules applicable in Bangladesh.

1.3.2 Basis of Preparation and Presentation of Financial Statements:

Financial Statements have been prepared on a going concern basis using accrual accounting method under the historical cost convention.

1.3.3 Functional and Level of Precision :

The financial statements have been prepared in Bangladeshi taka, which is the company's functional currency. All financial information are presented in Bangladeshi taka and these have been rounded off to the nearest taka. The Accounting policies set out below are applied consistently to the related items in the financial statements by using BAS-1, BAS-7.

1.3.4 Fixed Assets and Depreciation:

Fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets except office equipment and motore vehicle where straight-line method is applied. Depreciation rates have mentioned below:

Particulars	Rate of Depreciation
Building	2.50%
Furniture & Fixture - Office	10.00%
Equipments	20.00%
Decoration & Renovation	12.00%
Motor Vehicles	20.00%



This represents total cost and other expenses of 1 nos membership of DSE. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Securities Exchange Commission (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange (DSE) allotted total 72,15,106 nos ordinary Shares at face value of Tk.10.00 each against the membership of DSE and out of the above DSE transferred 2,886,042 nos shares directly to the credit of the Beneficiary Owner's account of the company. The rest of the shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act. 2013.

308



	31.12.2015 Taka	31.12.2014 Taka
Advertisements	-	5,878
Conveyance	-	2,385
Authorized Representative fee to DSE	-	1,875
Bank Charges	-	431
Entertainment	-	311
Photocopy	-	181
	-	536,647
Less: Amortization	-	(536,647)
	-	-

7 Deferred Tax Assets:

The tax effect of temporary differences as per BAS 12 that resulted in deferred tax assets or liabilities

Opening balance	(30,293)	
Add: Deferred tax expense/(income) during the year	(91,162)	(30,293)
Add: Deferred tax on revalued amount		
Closing balance	(121,455)	(30,293)
7.1 Accounts base as on balance sheet date	2,500,867	2,979,506
Less: Tax base as on balance sheet date	2,847,881	3,066,057
Deductible temporary difference	(347,014)	(86,551)
Deferred tax assets (35% on taxable temporary deference)	(121,455)	(30,293)
8 Receivable from Clients:		
Receivables from Clients	170,700	209,543
	170,700	209,543
9 Receivable from DSE:		
Receivables from DSE	-	-
	-	-
10 Deposits & Prepayments:		
CDBL refundable security deposit & BTCL	204,000	204,000
	204,000	204,000
11 Other Current Assets:		
Advance Income Tax	5,316,714	2,288,722
Investment In Dealer at Cost Price	1,437,306	75,906
Interest Receivable on FDR	155,555	184,722
Other Receivable	-	10,200
Sundry Debtors	-	-
	6,909,575	2,559,550



12 Cash & Cash Equivalents:

Trust Bank Limited. C/D A/C-00170210011174
 Pubali Bank Limited. SND, A/C-2982102000367
 Trust Bank Limited. SND A/C-00170320001306
 Trust Bank Limited, SND IPO-00410320000343
 One Bank Limited . SND, A/C-001300000707
 Trust Bank Limited, SND A/C- 0017-0136000120
 Standard Chartered, SND A/C-01-1184109-01

Cash at Other Bank
 Delta Brac Housing Finance Corporation Limited

13 Ordinary Share Capital:

Authorised Capital
 200,000,000 Shares @ Tk. 10 each
 Issued, Subscribed, Called up and Paid up Capital
 35,000,000 Ordinary shares @ Tk. 10 each.

14 Payables to Clients:

Payable to Clients

15 Payables to Dhaka Stock Exchange:

Payable to DSE

16 Other liabilities :

TDS Payable
 VAT Payable
 Audit Fees
 Office Rent
 Provident Fund contribution (Both)
 Hospitalization Benefit Fund
 Gratuity Fund
 IPO Application
 Provision for revenue expenses Note 16.01

16.1 Other Provision :

Electricity and Generator Fuel
 Provision for Income Tax
 Provision for Investment
 Incentive Bonus
 Provision for CDBL Charges

31.12.2015 Taka	31.12.2014 Taka
78,681	83,441
23,969,454	19,583,063
574,135	296,030
2,517	259,624
224,314	23,548
-	-
-	-
12,500,000	12,500,000
37,349,101	32,745,706
2,000,000,000	2,000,000,000
350,000,000	350,000,000
350,000,000	350,000,000
9,269,740	4,855,790
9,269,740	4,855,790
4,093,026	5,488,053
4,093,026	5,488,053
21,566	-
10,372	-
57,500	57,500
-	-
1,056,874	597,634
36,300	21,600
1,000,332	177,996
-	299,000
5,833,705	2,549,462
8,016,650	3,703,192
-	-
5,179,645	2,288,722
170,236	15,106
463,426	213,900
20,398	31,734
5,833,705	2,549,462



	31.12.2015 Taka	31.12.2014 Taka
17 Other Income:		
BO Account Opening	57,000	74,800
Interest on Margin Loan	6,263	-
Interest From Bank	197,867	107,848
Interest from FDR	1,142,708	1,176,911
Settlement Transfer	-	-
BO Renewal Income	22,000	-
Demat of New Securities (IPO)	-	-
Realized Gain/(Loss)	60,846	-
IPO-Commission	3,241	235
	1,489,925	1,359,794
18 Salaries and Allowances:		
Basic Salary	2,344,336	2,068,497
House Rent Allowance	1,172,168	1,034,248
Conveyance Allowance	147,194	117,480
Medical Allowance	597,461	473,400
Leave Fare Assistance	251,114	205,320
Festival Bonus	384,400	359,000
Incentive Bonus	463,426	213,900
Employer's Contribution to Provident Fund	229,620	206,850
Employer's Contribution to Gratuity Fund	822,336	177,996
	6,412,055	4,856,691
19 Rent, Taxes, Insurance, Electricity etc.		
Office Rent	446,640	198,000
Electricity & Generator Fuel	222,000	222,000
Fees, Renewal & Subscription	156,886	118,092
Renewal (Stock DLR, Broker, CDBL)	59,000	-
Insurance premium	19,703	20,259
Authorized Representative Expenses	-	-
	904,229	558,351
20 Postage, Stamps, Telecommunications, etc.		
Telephone Expenses	14,245	17,126
Mobile	27,707	29,883
Stamp Charges	2,385	-
Internet & Online Charges	782,900	798,120
	827,237	845,129
21 Depreciation, Amortization and Repair of Bank's Assets		
Depreciation & Amortization		
Fixed assets (For details please refer to Annexure -A)	573,035	421,328
Amortization(For details please refer to Annexure-A)	333,333	277,778
Repairs	-	-
Repair & Maintenance Office	24,771	74,347
	931,139	773,453



22 Other Expenses:

Entertainment	67,432	87,364
Travelling Expenses	17,810	18,597
Other Contractual Service	431,418	317,359
Repair Maintenance(Car Allowance)	652,800	652,800
Water Bill	5,800	7,770
Paper Bill	4,990	4,125
Software Maintaence	104,500	-
Authorized Representative	2,500	-
Advertisment	-	154,400
Bank Charges	58,099	31,963
TWS Set up Expenses	5,000	-
Investor Protection Fees	5,432	4,991
Amortization for Priliminary Expenses	-	832,432
Amortization for Pre-Operational Expenses	-	536,647

31.12.2015
Taka

31.12.2014
Taka

1,355,781

2,648,447

23 Received from Other Operating Activities

Brokerage Commission	15,163,150	10,578,473
Interest on Margin Loan	6,263	-
BO Account Opening	57,000	74,800
Interest From Bank	197,867	107,848
Interest from FDR	1,142,708	992,189
Less: Interest Accrued From FDR	(155,555)	-
Add: FDR Last year Accrued	184,722	-
Add: Other Receivable	10,200	-
Realized Gain/(Loss)	60,846	-
BO Renewal Income	22,000	-
IPO-Commission	3,241	235

16,692,442

11,753,545

24 Payments For Other Operating Activities

Howla Charge	-	(89,752)
Laga Charge	(1,405,136)	(833,210)
CDBL Charge	(487,446)	(155,124)
Salary & Allowance	(6,412,055)	(4,642,791)
Rent, taxes, insurance, electricity etc.	(904,229)	(669,351)
Postage, stamps, telecommunications, etc.	(827,237)	(845,129)
Stationery, Printing, advertisement etc.	(98,944)	(101,058)
Auditors' Fees	(57,500)	(57,500)
Director's Fees	(24,000)	-
Depreciation, Amortization and repair of bank's assets	(24,771)	(74,347)
Other expenses	(1,355,781)	(2,648,447)

(11,597,099)

(10,116,709)



25 Changes in Other Operating Assets

Receivable from Clients
Receivable from DSE
Deposits & Prepayments
Preliminary Expenses
Pre- operational Expense
Other Receivable
Sundry Debtors
Investment in Dealer at Cost

31.12.2015 Taka	31.12.2014 Taka
38,843	(153,689)
-	-
-	-
-	832,432
-	536,647
-	-
-	212,612
(1,361,400)	(75,906)
(1,322,557)	1,352,096

26 Changes in Other Operating liabilities

payables to clients
payables to DSE
TDS payable
VAT Payable
Office Rent
provident fund contribution
Hospitalization benefit fund
Gratuity fund
Incentive Bonus
IPO application
Provision for CDBL

4,413,950	3,679,959
(1,395,027)	5,423,736
21,566	(21,478)
10,372	-
-	(99,000)
459,240	413,700
14,700	14,400
822,336	177,996
249,526	-
(299,000)	299,000
(11,336)	10,906
4,286,328	9,899,219



Note: 27 Related party disclosures

Note 27 a) Name of Director's and their interest in different entities as at 31 December 2015:

SL	Name of the Directors	Status	Entities where they have interest	% of Interest
1.	Maj Gen Md Mahfuzur Rahman rcds, ndc, afwc, psc, PhD	Chairman (Representing Trust Bank Ltd.)	Sena Kalyan Sangstha – Vice Chairman, Board of Trustees	Nominated
			Sena Kalyan Sangstha – Chairman, Management Committee	Nominated
			Sena Hotel Development Ltd. – Vice Chairman, Board of Directors	Nominated
			Army Welfare Trust – Vice Chairman, Board of Trustees	Nominated
			Trust Transport Services – Chairman, Board of Directors	Nominated
			Army Housing Scheme – Chairman, Board of Directors	Nominated
			Governing Bodies of Cadet Colleges – Chairman	Nominated
			Trust Technical Training Institute – Chairman, Board of Directors	Nominated
			Trust Bank Limited – Vice-Chairman, Board of Directors	Nominated
			Trust Bank Investment Limited – Vice-Chairman, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
2.	Brig Gen Md Mehdi Hassan SGP,ndc, afwc, psc	Vice Chairman (Nominated by Trust Bank Ltd.)	Trust Bank Limited – Director, Board of Directors	Nominated
			Trust Bank Investment Limited – Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
			Trust Technical Training Institute – Director, Board of Directors	Nominated
			Trust Overseas Recruiting Agency – Director, Board of Directors	Nominated
3.	Brig Gen Md Zakir Hossain psc, te	Director (Nominated by Trust Bank Ltd.)	Army Welfare Trust (AWT) – Managing Director	Ex-Officio
			Sena Hotel Development Limited – Director	Nominated
			Trust Technical Training Institute – Director, Board of Directors	Nominated
			Trust Bank Limited – Director, Board of Directors	Nominated
			Trust Bank Investment Limited – Director, Board of Directors	Nominated
			Army Housing Scheme – Managing Director	Nominated



4.	Mr. Ashrafuzzaman Khan	Independent Director (Nominated by Trust Bank Ltd.)	Trust Bank Limited – Independent Director, Board of Director	-
			Trust Bank Investment Limited – Independent Director, Board of Director	Nominated
			Executive Attire Limited – Managing Director	-
5.	Mr. Ishtiaque Ahmed Chowdhury	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Trust Bank Limited – Managing Director & CEO	Service
			Trust Bank Investment Limited – Director, Board of Directors	Nominated
6.	Mr. Shahud Ahmed	Director (Nominated by Trust Bank Ltd.)	Trust Bank Limited – Senior Executive Vice President	Service
7.	Mr. Zillur Rahim Chowdhury	Director (Nominated by Trust Bank Ltd.)	Trust Bank Limited – Senior Executive Vice President	Service
8.	Mr. Akhlasur Rahman Bhuiyan	Director (Nominated by Trust Bank Ltd.)	Trust Bank Limited – Executive Vice President	Service
9.	Mr. Abu Zafar Hedaytul Islam	Director & Managing Director (Nominated by Trust Bank Ltd.)	Trust Bank Limited – Deputy Managing Director	Service
			Trust Bank Investment Limited – Director, Board of Director	Nominated

b) Significant contracts where company is a party and where in Directors have Interest	Nil
c) Shares issued to Directors and Executives without consideration or exercisable at discount	Nil
d) Related party Transactions	Nil
e) Lending Policies to related Parties	Not Applicable
f) Loan and advances to Directors and their related concern	Nil
g) Business other than banking business with any related concern of the Director as per section 18(2) of the Bank Companies Act-1991	Not Applicable
h) Investments in the Securities of Directors and their related concern	Not Applicable

Vice Chairman

Director

Director

Managing Director



Annexure-A

Schedule of Fixed Assets As at 31st December 2015

Particulars	Cost				DEPRECIATION			Written Down Value As at 31st December 2015
	Balance on 1 January 2015	Addition during the year	Disposal/ adjustment during the year	Balance at 31st December 2015	Balance on 1 January 2015	Charge for the year	Balance at 31st December 2015	
Office Renovation								
Interior Decoration	276,478	-	-	276,478	37,384	27,164	64,548	211,930
Overhead Cabinet	11,200	-	-	11,200	1,413	1,112	2,525	8,675
Vertical Blind & Name Plate	16,452	-	-	16,452	1,994	1,643	3,637	12,815
Office Equipment								
Photocopy Machine	82,000	-	-	82,000	20,399	16,501	36,900	45,100
Box Fan	6,500	-	-	6,500	1,595	1,329	2,924	3,576
Printer	141,250	23,900	-	165,150	22,458	31,485	53,943	111,207
Computer & Computer Accessories	519,600	145,000	-	664,600	97,030	120,752	217,782	446,818
Air Conditioner	116,199	159,328	-	275,527	21,361	40,276	61,637	213,890
UPS	52,200	-	-	52,200	9,181	10,829	20,010	32,190
Fax Machine	9,100	-	-	9,100	394	1,881	2,275	6,825
Rack Server	1,467,000	-	-	1,467,000	227,485	310,415	537,900	929,100
Television		99,500	-	99,500		9,648	9,648	89,852
Total	2,697,979	427,728		3,125,707	440,694	573,035	1,013,729	2,111,978

Intangible Assets

Particulars	Cost				AMORTIZATION			Written Down Value As at 31st December 2015
	Balance on 1 January 2015	Addition during the year	Disposal/ adjustment during the year	Balance at 31st December 2015	Balance on 1 January 2015	Charge for the year	Balance at 31st December 2015	
Back Office Software	1,000,000			1,000,000.00	277,778	333,333	611,111	388,889
Total	1,000,000.00	-		1,000,000	277,778	333,333	611,111	388,889
Grand Total	3,697,979	427,728		4,125,707	718,472	906,368	1,624,840	2,500,867

Back office software will be amortized by 3 years.



Photo Gallery



Photo Gallery



Board of Directors at 16th Annual General Meeting of the Bank



Attendance of the honorable shareholders at 16th Annual General Meeting



Shaheholders of the Bank delivered their speech at the 16th Annual General Meeting



Photo Gallery



Organizational Excellence Meeting-2015



Islamic Banking Workshop Jointly organized by Central Shariah Board for Islamic Banks of Bangladesh and Trust Bank Ltd.



MoU signing ceremony between Trust Bank Limited and Anwer Khan Modern Medical College Hospital.



The 20th Meeting of Trust Bank Shariah Supervisory Committee



Trust Bank arranged a day long special conference regarding Prevention of Money Laundering and Combating Financing of Terrorism at Trust Milonayoton in Dhaka.



Photo Gallery



মুঠোফোনে আমার ব্যাংক





DHAKA

Principal Branch

98 Shaheed Sarani, Dhaka Cantonment, Dhaka
Direct- 02-8713282, 02- 8750298
PABX- 02-8712751-3, Fax-02-8750276

SKB Branch

Sena Kalyan Bhaban,
195 Motijheel C/A, Dhaka – 1000.
Direct-02-9561721
PABX-02-7126157, 02-7121263
Fax- 02-7163977

Momenshahi Cantonment Branch

Aklima Complex (1st Floor), Sankipara,
Momenshahi Cantonment, Mymensingh
Direct- 091-62371

Savar Cantonment Branch

Savar Cantonment, Dhaka
PABX- 02-7791931, Fax- 02- 7791263

Shaheed Salahuddin Cantonment (SSC) Branch

ShaheedSalahuddin Cantonment, Ghatail, Tangail
Direct-09225- 56141

Dhanmondi Branch

Design Concepts Ltd (1st floor), House-35
Road -2, Dhanmondi, Dhaka - 1205
PABX - 02-8623401, 02-9677553
Fax-02-9677571

Gulshan Corporate Branch

110 Gulshan Avenue, Gulshan, Dhaka -1212
Direct-02-886594, 02-9886592
PABX-02- 8828088, 02-8815594
02-9862520, Fax-9881508

Dilkusha Corporate Branch

Peoples Insurance Bhaban, (1st Floor), 36
Dilkusha C/A, Dhaka-1000
Direct-02-9561821, 02-9560944
PABX-9576421, 9577186, Fax-9560793

Radisson Water Garden Hotel Branch. (RWGH)

Airport Road, Zoar Shahara, Dhaka
Cantonment, Dhaka – 1206
Direct- 02-8752065

Millennium Corporate Branch

Shadhinata Tower, BirSreshthaShahid
Jahangir Gate, Dhaka
Cantonment, Dhaka- 1206
Direct- 8812032, 8812028
PABX-02-8712076, Fax-02-8712075

Uttara Corporate Branch

House No.- 111/a, Road No.-7,
Sector-4, Uttara, Dhaka
Direct –02-7913335, 02-8921312
PABX-02-7914658, 02-7914732
Fax-02-8922650

Mirpur Branch

Swapnapuri, Holding No. 24, Main Road 3,
Section – 11, Mirpur, Pallabi, Dhaka
Direct-02-9008218, PABX-02-9008310
Fax-02-9008359

Karwan Bazar Branch

EDB Trade Centre, 93 Kazi Nazrul Islam Avenue
(Ground Floor), Karwan Bazar, Tejgaon, Dhaka
Direct-02-9126554, PABX -02-8189602-3
Fax-9126544

Joypara Branch

Azhar Ali Mozahar Ali Shopping Complex,
Dohar, Dhaka
Direct- 02-7768097, PABX -02-7768096
Fax- 02-7768098

Joydevpur Branch

Vaowal Point, Vill: Vogra, Up: Bason,
Po: National University, Thana: Joydevpur,
Dist: Gazipur
Direct-02-9262852, PABX-02-9262853
Fax-02-9262859

Narsingdi Branch

Salam Mansion, Holding-13/9, Thana-Dist-Narsingdi
Direct -02-9451684, PABX-02-9451686
Fax-02-9451685

Narayangonj Branch

1, Alam Khan Lane, Po+Thana:
Narayangonj, Dist: Narayangonj
Direct-02-7648282, PABX-02-7648283
Fax-02-7648208

Branches & SME Service Centre
as on 31 December 2015

107

ATM Booths

as on 31 December 2015

171

ATM Booths opened

in 2015

29

t-lobbys

as on 31 December 2015

09

Collection Booths

as on 31 December 2015

04

Kafrul Branch

Holding - 28, North Kafrul, Dhaka City
Corporation, Thana- Kafrul, Dist- Dhaka
Direct -02-8715457, Fax- 02-8715458
PABX- 02-87154859

Tongi Branch

1st Floor of Sena kallyan Commercial
Complex, TongiPaurashova,
Thana - Tongi, Dist - Gazipur
Direct-02-9816721, PABX-02-9816722-3
Fax-02-9816724

Progati Sarani Branch

1st Floor of Ka- 74, ProgatiSarani,
Kuril Chowrasta, Dhaka
PABX –02-8412258, 02-8412245
Fax Ext -203

Ashulia Branch

1st Floor of Bhuiyan National Plaza- 1
JamgaraChowrasta, Ashulia, Dhaka
Direct –02-7790843, Fax- 02-7790867

Elephant Road Branch

1st Floor of M. R. Mansion 19,
Elephant Road, Dhaka
Direct –02-9614126, 02-9614127
Fax -02-9611032

Rajendrapur Cantonment Branch

Holding no 551, Nayanpur, Mirzapur,
Ward no. 02, Police Station: Gazipur
Sadar, District: Gazipur
PABX –02-9201791-2, Fax-02-9201790

Khawja Garib Newaz Avenue Branch

1st Floor of Plot no 36 Khawja Gharib
Newaz Avenue, Sector- 11, Uttara, Dhaka
Direct -02-7914667, PABX 02-7914666
Fax-02-7914668

Banani Branch

1st Floor of Delta Dahlia Complex,
36, Kamal Ataturk Avenue, Dhaka
PABX-02-9863053, 02-9863107
Fax-02-9884927

**Kishorganj Branch**

1st Floor of Hajee Abdul Majid Munshi Building, Isha Khan Road, Terripatty, Bara Bazar, Kishoregonj
Direct- 0941-62609, Fax-0941-62615

Bhairab Branch

Ground Floor, Holding # 173, Kali Bari Road, Bhairab Bazar, Bhairab, Kishoregonj
Direct-02-9471501, Fax-02-9471500

Keraniganj Branch

1st Floor, Azhar Plaza, Ferry Ghat, Bus Road, Zinjira, Keraniganj, Dhaka
Direct-02-7764267, 02-7764268

Gopalganj Branch

1st Floor of Holding no. 172, Adhunik Shamobay Biponi, Puratan Bazar Road, Gopalganj
Direct- 6681166, Fax-6681188

Fridpur Branch

M K Shopping Complex, Holding no-15/18, Faridpur Sadar, Faridpur
Direct-0631-65249

Dhamrai Branch

1st Floor of Siddique Super Market, Holding# A-29, Dhamrai Pourashava, Dhamrai, Dhaka
Direct-7731026, Fax-7731027

Sreenagar Branch

1st Floor, M Rahman Complex, Sreenagar Bazar, Bhagyakul Road, Sreenagar, Munshiganj
Direct - 7627175, Fax - 7627190
Mobile – 01755636238

Patuatuly Branch

1st Floor, Lucky Mansion, 70/A, Patuatuly, Kotwali, Dhaka
Direct-02-57396167, PABX-02-57396168
Fax – 02-7341266

Mohakhali Branch

Holding No 100 (1st floor), Bir Uttam AK Khandaker Road, Mohakhali C/A, PS- Banani, Dhaka-1212
Direct - 02-9881750
PABX: 02-9881350, 02-9881360
Fax: 02-9881350, 02-9881360, EXT- 100

Bhedorgonj Branch

1st floor of SEBA Tower, Shaheed Mohiuddin Sarak, Bhedarganj Pourashava, PS- Bhedarganj, Sariatpur
Direct-06022-56121, PABX-06022-56122

Matuail Branch

1st Floor, Mainuddin Bhaban, Saddam Market, South Matuail, Kadamtali, Dhaka-1213
Direct-02-7553416, Fax-02-7553426
Mobile- 01730091692

Kanchpur Branch

Sonargoan Mega Shopping Complex (1st Floor), Kanchpur, Sonargoan, Narayanganj.
Mobile- 01755540561

Shambhugonj Branch

1st Floor of Hazi Nurul Islam Tower, Sambugonj Main Road, Shambhugonj, Mymensingh.
Direct: 091-65650, Mobile- 01755690426

Kakrail Branch

38, Kakrail, Inner Circular Road, Bijoy Nagar, Dhaka.
Direct – 9348201, PABX – 9361265
Fax - 9348202, Mobile- 01713335793

Bangabandhu Cantonment Branch

Bhuapur, Tangail
Direct-09234-76002,
Mobile- 01755690429

Pangsha Branch

Mahamud Plaza, (1st Floor), College Road, Pangsha Sadar, Pangsha, Rajbari
Mobile - 01730376200

Centennial Branch

Dream by Icon, 2/4 Block A, Mohammadpur Housing Estate, Mirpur Road, Dhaka.
Direct – 9142902, 9142904
PABX: 02 -9142903

Taranagar Branch

Ghatarchar, Taranagar
Keraniganj Model Thana, Keraniganj, Dhaka
Mobile - 01709648578

Takerhat Branch

Shahbuddin Mollah Complex
Vill - Takerhat, Thana- Raoir
Dist- Madaripur

CHITTAGONG

Comilla Cantonment Branch

Comilla Cantonment, Comilla
Direct-081-65005, PABX – 081-65004
Fax-77023

Chittagong Cantonment Branch

Bangladesh Tea Board Bhaban (Ground Floor) 171-172 Baijid Bostami Road Nasirabad, Chittagong
Direct-031-683680
PABX-031-2581170-71
Fax- 031-2581172

Agrabad Branch

Rafique Tower, 92 Agrabad C/A, Chittagong.
Direct -031- 2524461
PABX- 031- 2524462-3, 2514708-9
Fax- 031-715791

Khatungonj Branch

205, Main Road, Plot No. – 218, Khatungonj, Chittagong
Direct-031-2861718
PABX-031- 627860, 285235-6
Fax-2861719

CDA Avenue Branch

Holding No.1837(New), Elite House (1st and Ground Floor), CDA Avenue, Chittagong
Direct – 031-2550938
PABX-031- 2550936-7, 2553091-4
Fax -2550939

Halishahar Branch

Holding No.-2030/A, Block-G, Road No.-3, Plot 2, Bara Pul, Port, Connecting Road, Chittagong
Direct-031-2512593, PABX-031-2512592
Fax-2512591

Naval Base Branch

BNS IshaKha, Naval Base Anchor Building (1st Floor), Potenga, Chittagong.
PABX – 031-741833, 031-741834
Fax-741831

Feni Branch

Kazi Centre (Ground Floor), Holding No.-106, A.S.K Road, Feni
Direct-0331- 63535, PABX-0331-63536
Fax – 0331-63537

Jubilee Road Branch

Royal Tower, Jubilee Road, Chittagong City Corporation, Thana-Kotwali, Chittagong
Direct-031-2857212 , PABX-031-2859061-2
Fax-031-285713

Ashugonj Branch

Mouza : Char Chartala, Thana: Ashugonj, Dist: Brahmanbaria
Direct – 0852-874026
Fax-0852-874027

Amirabad Lohagara Branch

Best Chowdhury Plaza, Amirabad, Lohagara, Chittagong
Direct – 03034-56612
Fax-03034-56349

Chowmuhuni Branch

Feni Road, Holding # 309,310, Chowmuhuni Paurashova, Thana-Begumgonj, Dist- Noakhali
Direct – 0321-54192, 0321-54193
Fax – 0321-54194

Cox's Bazar Branch

1st Floor of Degenta Annexure Complex, Cinema Hall Super Market, Bazar Ghat Cox's Bazar
Direct-0341-52108, PABX-0341-52109
Fax-52110

**Kadamtali Branch**

1st & 2nd Floor of Royal Plaza, 431, DT Road,
Kadamtali Bus Station, Kadamtali,
Chittagong
Direct-031-2529951
PABX- 2529953, 2529954
Fax-2529952

Rangamati Branch

1st Floor of SR Tower, 107,
ShahidAbdul Rashid Sarak,
Banarupa, Rangamati
Direct-0351-61885-6, 0351-61932

Comilla Branch

1st & 2nd floor of Omori Mansion
Badurtala 1st Lane, Kandirpar, Comilla
PABX-081-64249, Fax-081-64250

Khagrachari Branch

Mahdi Complex (Ground floor), Santinagar,
Changi Square, PS-Khagrachari Sadar
Direct-0371-61370, PABX- 0371-61390
Fax-0371-61374

Bandarban Branch

1st Floor of Chairman Market,
Bandarban Bazar Fund, Plot no 240/C,
Bandarban Sadar, Bandarban
Direct-0361- 63204, PABX-0361-63205
Fax-63206

Dewan Bazar Branch

Iqbal Tower (1st Floor), 85/86 Dewan Bazar
NawabSirajuddowla Road, Chittagong
Direct-031-2869825, Fax-031-2869826

Titas Branch

Bhai Bhai Italian Plaza (1st floor),
Karikandi Bazar, PS- Titas, Comilla
Mobile- 01730304862

Maligaon Branch

Maligaon, Daudkandi, Comilla
Mobile- 01713010894

Chandpur Branch

1st Floor of Notun Bazar Super Market, Chandpur
Direct-0841- 66541, PABX-0841-66543
Fax-0841 - 66542, Mobile-01713012561

RBCBVH Branch

Radisson Blu Chittagong Bay View
(RBCBV) Hotel, Chittagong
Manager- 0173122929

Ramu Branch

Alhaji Jahed Shopping Complex, Mandolpara,
Fatekharkul, Ramu, Cox's Bazar
Direct: 03425-56011, PABX: 03425-56017

Companygonj Branch

Khokon tower
Vill-Poia Pathor (Companygonj)
Union-Nobipur, Thana-Muradnagar
Dist- Comilla
Mobile - 01709654653

RAJSHAHI**Bogra Cantonment. Branch**

Bogra Cantonment , Bogra
PABX-051- 82032, 82033

Khajwa Yunus Ali Medical College & Hospital (KYAMCH) Branch

Khajwa Yunus Ali Medical College &
Hospital, Enayetpur, Sirajgonj
Direct-0751- 63897
PABX-0751-63761-3, Fax-63898

Rajshahi Branch

1st floor of Dainik Barta Complex, Alupotti,
Ghoramara, Rajshahi
Direct-0721-770958
PABX-0721-774051, 770655,
Fax - 0721-772820

Dayarampur Branch, Natore

1st Floor of MK Shopping Complex,
Doyarampur Bazar,
Kadirabad Cantonment Road,
Doyarampur, Direct-07722-72351
Fax-07722-72351

Dashuria Branch

Abdul Khalaque Market (1st Floor),
Dashuria, Ishwardi, Pabna.
Mobile- 01755690421

Chapainawabgonj Branch

16 Jhilim Road, Ward No- 02, Pourasava-
Chapai Nawabgonj, Thana- Chapai
Nawabgonj, Dist. ChapaiNawabgonj
0781-52684-6, Mobile - 01733005020

Sherpur Branch

Shah Turkan Plaza, Sherpur, Bogra.
Mobile - 01770790786

KHULNA**Jessore Cantonment Branch**

Trust Commercial Complex, Arabpur
MP Check Post, Jessore Cantonment, Jessore
PABX- 0421-61043

Khulna Branch

Sena Kalayan Bhaban, 1, KDA Avenue,
Khulna City Corporation, Thana: Sonadanga,
Dist: Khulna
Direct-041-2831570, PABX-041-2831571-2
Fax-041-2831573

Mongla Branch

1st Floor of BN School & College
Campus, PS-Mongla,, Bagerhat
Direct-04662-75395, Fax-75396

Munshiganj Branch

Vill: Munshiganj, PO-Kalinagar,
PS-Shyamnagar, Satkhira
Mobile-01755552689

Jahanabad Cantonment Branch

Cinema Hall Complex, Jahanabad
Cantonment, Gilatala, Fultala, Khulna
Direct -041-785100, 785101
Fax- 785102

Jhenaidah Branch

Ground Floor, Holding # 54, Jhenaidah
Sadar, Jhenaidah (Adjacent to
Shishu Kunjo School & College inside
Jhenaidah Cadet College campus)
Direct- 0451-61316, Fax-61317

Kushtia Branch

1st floor of Shatabdi Bhaban, Holding
No- 92/A, Nabab Siraj-Ud- Doula Road,
PS-KushtiaSadar, Kushtia
PABX - 071-73218, Fax: 071-73851

Bagerhat Branch

7/2, Khan Jahan Ali Road (1st Floor),
Bagerhat Sadar, Bagerhat.
Direct-0468-64572, Fax-0468-64573
Mobile- 01787672377

SYLHET**Jalalabad Cantonment Branch**

Jalalabad Cantonment, Sylhet
Direct- 0821 - 2870115
Fax - 0821-2872135

Sylhet Corporate Branch

BMABhaban, Chouhatta, Kotwali, Sylhet
Direct-0821-727531
PABX-0821-719063.
Fax-0821 -719139

Beanibazar Branch

Al-Amin Super Market, College Road
Beanibazar, Sylhet
Direct-08223-56008, Fax-08223-56009

Moulvibazar Branch

Holding No.-10, Court Road,
Chowmohona, Kotowali, Moulvibazar
Direct-0861-62981, PABX-0861-62883
Fax-0861-62884

Goalabazar Branch

Hazi NasibUllah Market, (1st Floor), Main
Road, Goalabazar, Osmani Nagar, Sylhet
Direct-08242-56297, Fax-08242-56327

Shahjalal Uposhahar Branch

Bodor Tower, Holding # 14, Block - E
Main Road, Shahjalal Uposhahar, Sylhet
Direct-0821-727691, Fax- 0821-727692

Modina Market Branch

Hoque Mansion (1st floor) Holding No-711
Modinamarket, Pathantula, Sylhet
Direct-0821-721811
Fax - 0821-721811

**Golapganj Branch**

1st Floor of Rahman Shopping Complex,
Holding No-76, PS- Golapganj, Sylhet
Direct - 08227-56077, Fax: 08227-56078

Hobiganj Branch

Mannan Shopping Center, Badiuzzaman
Road, ,Hobiganj Sadar, Hobiganj.
Direct-0831-54142, PABX: 0831-54143
Fax: 0831-54144, Mobile- 01755690420

Sunamgonj Branch

233 Alfat Bhaban, Old Bus Station
Ward no- 06, Paurasava- Sunamgonj
Thana- SunamgonjSadar
Dist. Sunamgonj
Mobile - 01730334648

RANGPUR**Rangpur Cantonment Branch**

Sena Shambhar Complex, RK Road, Rangpur
Direct-0521-66653, Fax-67371

Saidpur Cantonment Branch

1st floor of Shaheed Sarani Market,
Airport Road, Saidpur Cantonment,
Saidpur, Nilphamary.
Direct -05526-73631, Fax-73630

**Bir Uttam Shaheed Mahub
Cantonment Branch**

Cantonment Board Market,
Bir Uttam Shaheed Mahub
Cantonment, Dinajpur
Mobile -01755552688

Auliapur Branch

Vill: Auliapur, PO: Pulhat, Bisic Road,
PS-Sadar, Dinajpur.
Direct-0531-66629, Fax: 0531-66635

Lalmonirhat Branch

1st floor of Simanto Shopping Complex,
Holding No- 755, Misson More Zero Point,
PS- Lalmonirhat Sadar, Lalmonirhat
Direct -0591-62092, Fax-0591-62090.

Shathibari Branch

1st Floor of Atique Market, Shathibari
Bazar, PS- Mithapukur, Rangpur.
Direct: 0522- 556314

BARISAL**Barisal Branch**

Ground Floor of S Rahman Market,78,
Sadar Road, Barisal City Corporation
Area, Barisal
Direct -0431-64506
PABX- 0431-2177324
Fax - 0431- 2177323

SME/Krishi Branches and Service Center**DHAKA****Mirer Bazar SME/Krishi Branch**

Salam Complex, Mirer Bazar Chowrasta (Tongi Kaligonj
Road) Union-Pubail, Thana-Gazipur Sadar, Dist- Gazipur
Direct -02-9816765, Fax-02-9816766

Madhabdi SME/Krishi Branch

R M Building-3, Phalpatri Road, Poursava-Madhabdi ,
Thana-Madhabdi
Dist- Narsingdi
Direct - 02-9446806, Fax- 02-9446807

Manikgonj SME/Krishi Branch

1st Floor of Anjoli Super Market, 75, Shaheed Rafique Sarak,
Kali Bari, Manikgonj
Direct -02-7711061, 02-7711058 Fax-7711067

Dholaikhal SME Service Center

31/1, Lal Mohan Saha Street, Dholaikhal, Dhaka
Direct -02-9571362 , Fax- 02-9571362

RAJSHAHI**Tamai SME/Krishi Branch**

Protigga Banijjik Bhaban, Thana – Belkuchi, Dist- Sirajgonj
Direct -07522-56357, Mobile-01730334646

Natore SME/ Krishi Branch

1st Floor of Shahara Plaza, Kanai Khali Natore
Sadar, Natore
Direct -0771-66889, 66916, Fax- 0771-66942

Trust Bank Limited

Head Office & Registered Office:
Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment
Dhaka-1206, Bangladesh
www.trustbank.com.bd

Notice of the 17th Annual General Meeting

Notice is hereby given that the 17th Annual General Meeting of Trust Bank Limited will be held on Thursday, 19 May, 2016 at 11.00 a.m. at Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 December 2015 including approval of transfer of an amount not exceeding 5% of total income to Special Reserve Fund together with the Directors' and Auditors' Report thereon.
2. To declare Dividend for the year ended 31 December 2015 as recommended by the Board of Directors.
3. To elect/re-elect/approve the appointment of Directors (including Independent Director).
4. To appoint/re-appoint Auditors and fix their remuneration for the financial year 2016.

By order of the Board of Directors



27 April, 2016

Khaled Mahbub Morshed, FCA
Company Secretary

Notes:

- a) The Record Date of AGM was 13 April, 2016. The members' whose names appeared in the Register of Members of the Company on Record Date shall be eligible to attend the meeting and vote thereat.
- b) Members are requested to update/provide the particulars of their Bank Account, change of address and BO ID with 12 Digits Taxpayer's Identification Number (e-TIN) before AGM. If the Members fail to update/provide their e-TIN before AGM, Income Tax at source will be deducted from payable Dividend @ 15% (Fifteen percent) instead of @ 10% (Ten percent) as per amended Income Tax Ordinance 1984 under Section 54.
- c) Any Member of the Bank entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote on his/her behalf. A Member being a corporation or company may appoint its representative, duly appointed and authorized, to attend and vote on its behalf.
- d) The Proxy Form, duly signed by the Member and stamped by the Revenue Stamp of TK. 20.00 (Twenty) each, must be submitted at the Share Department of the Bank at any time not less than 72 hours before the time fixed for the meeting.
- e) Annual Report, Attendance Slip and Proxy Form along with the Notice will be sent to the entitled Member by post/courier. These can also be collected, if so required, from the Share Department or the website of the Bank: www.trustbank.com.bd.

Special Note: In compliance with the Bangladesh Securities & Exchange Commission's Circular No. SEC/CMRRCD/2009/193/154 dated 24 October 2013, no gift/food box will be distributed at the 17th AGM.



ট্রাস্ট সোভারস্

যেকোনো বাংলাদেশীর জন্য

আজকের সঞ্চয়

আগামীর নিরাপত্তা

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A Bank for Financial Inclusion

ট্রাস্ট ব্যাংক
সবসময়, সবখানে, সবার জন্য

Trust Bank Limited

Head Office & Registered Office:
Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate
Dhaka Cantonment, Dhaka-1206, Bangladesh
www.trustbank.com.bd

PROXY FORM

I/We.....of.....
.....being a member of Trust Bank Limited, do hereby appoint Mr. /Ms.
.....of.....as my/ our PROXY to attend & vote on my/our
behalf at the 17th Annual General Meeting of the Bank to be held on Thursday, 19 May, 2016 at 11.00 a.m. at
Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka and at any adjournment thereof.
As witness my/our hand this day of 2016.

Signature of Shareholder(s)

No. of Shares held

Folio No.	
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BO ID No.																	
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Signature of PROXY

Revenue

Stamp

Tk.20.00

Note: A member entitled to attend at the Annual General Meeting may appoint a PROXY to attend in his/her behalf. The Proxy Form, duly stamped, must be deposited at the Share Department of the Company at least 72 hours before the scheduled time of the meeting. Signature of the Member should agree with the specimen signature registered with the Company/CDBL

Signature Verified

Authorized Signatory

Trust Bank Limited

Head Office & Registered Office:
Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate
Dhaka Cantonment, Dhaka-1206, Bangladesh
www.trustbank.com.bd

ATTENDANCE SLIP

I do hereby record my attendance at the 17th Annual General Meeting of the Bank being held on Thursday, 19 May, 2016 at 11.00 a.m. at Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka.

Name of the Shareholder/Proxy	
Folio No.	
BO ID No.	
Contact No.	

Signature of Shareholder(s)/Proxy

Signature verified by

Notes: Please deposit this Slip at the Reception Desk. Children and non-Shareholders will not be allowed at the meeting.



Trust Bank Limited

Head Office & Registered Office:

Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment
Dhaka – 1206, Bangladesh

Tel: 02-9850635, 02-9850638. Fax: 02-9850651

Email: info@trustbanklimited.com, web: www.trustbanklimited.com